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Canada Parliament House of Commons
Standing Committee
on Agriculture
Proceedings 1968-69 NO. 1-27



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HOUSE OF COMMONS

Government
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First Session—Twenty-eighth Parliament

1968 - 69

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

PROCEEDINGS

No. 1 - 27

THURSDAY, OCTOBER 17, 1968

INCLUDING

Appendix A

Revised Estimates for the fiscal year ending March 31, 1969

relating to

Agriculture, Canadian Dairy Commission, Canadian Livestock
LIBRARY Feed Board, Farm Credit Corporation.

NOV - 6 1968

UNIVERSITY OF TORONTO

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968

STANDING COMMITTEE
ON
AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard

Messrs.

Barrett,
¹Clermont,
¹Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas,
Foster,
Gauthier,
Gleave,
Horner,

Howard (*Okanagan
Boundary*),
Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lefebvre,
³Lind
Major,
McKinley,
Moore (*Wetaskiwin*),

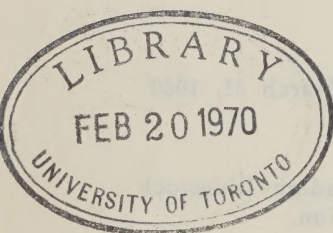
Muir (*Lisgar*),
Peters,
Pringle,
²Roy (*Laval*),
Smith (*Saint-Jean*),
Southam,
Stewart (*Okanagan-
Kootenay*),
Thomson (*Battleford-
Kindersley*),
Whicher—30.

Michael A. Measures,
Clerk of the Committee.

¹ Replaced Messrs. Cyr and Yanakis on October 10, 1968.

² Replaced Mr. Lind on October 15, 1968.

³ Replaced Mr. Borrie on October 17, 1968.



ORDERS OF REFERENCE

HOUSE OF COMMONS,
TUESDAY, October 8, 1968.

Resolved,—That the following Members do compose the Standing Committee on Agriculture:

Messrs.

Barrett,	Howard (<i>Okanagan-Boundary</i>),	Moore,
Beer,	Korchinski,	Muir (<i>Lisgar</i>),
Borrie,	Lambert (<i>Bellechasse</i>),	Peters,
Côté (<i>Richelieu</i>),	La Salle,	Pringle,
Cyr,	Lefebvre,	Smith (<i>Saint-Jean</i>),
Danforth,	Lessard (<i>Lac-Saint-Jean</i>),	Southam,
Douglas,	Lind,	Stewart (<i>Okanagan-Kootenay</i>),
Foster,	Major,	Thomson (<i>Battleford-Kindersley</i>),
Gauthier,	McKinley,	Whicher,
Gleave,		Yanakis—(30).
Horner,		

THURSDAY, October 10, 1968.

Ordered,—That the names of Messrs. Cobbe and Clermont be substituted for those of Messrs. Cyr and Yanakis on the Standing Committee on Agriculture.

TUESDAY, October 15, 1968.

Ordered,—That the name of Mr. Roy (*Laval*) be substituted for that of Mr. Stewart (*Okanagan-Kootenay*) on the Standing Committee on Agriculture.

Ordered,—That the name of Mr. Stewart (*Okanagan-Kootenay*) be substituted for that of Mr. Lind on the Standing Committee on Agriculture.

WEDNESDAY, October 16, 1968.

Ordered,—That, saving always the powers of the Committee of Supply in relation to the voting of public moneys, the items listed in the Revised Main Estimates for 1968-69, relating to Agriculture, the Canadian Dairy Commission, the Canadian Livestock Feed Board and the Farm Credit Corporation, be withdrawn from the Committee of Supply and referred to the Standing Committee on Agriculture.

THURSDAY, October 17, 1968.

Ordered,—That the name of Mr. Lind be substituted for that of Mr. Borrie on the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

THURSDAY, October 17, 1968.

(1)

The Standing Committee on Agriculture met this date at 9:40 a.m. for purposes of organization.

Members present: Messrs. Barrett, Beer, Borrie, Cobbe, Clermont, Côté (*Richelieu*), Danforth, Douglas, Foster, Gauthier, Gleave, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), LaSalle, Lefebvre, Lessard (*Lac-Saint-Jean*), Major, McKinley, Moore (*Wetaskiwin*), Muir (*Lisgar*), Pringle, Smith (*Saint-Jean*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*), Whicher—(26).

Also present: Mr. Whelan, M.P.

The Committee Clerk attending and having called for 'nominations, Mr. Côté (*Richelieu*) moved, seconded by Mr. Borrie, that Mr. Beer be Chairman of the Committee.

Mr. Beer, having been elected as Chairman, took the Chair and thanked the Committee for the honour conferred upon him.

Mr. Barrett moved, seconded by Mr. Clermont, that Mr. Lessard (*Lac-Saint-Jean*) be Vice-Chairman of the Committee.

On motion of Mr. Danforth, seconded by Mr. Lefebvre,
Resolved,—That nominations be closed.

Mr. Lessard, having been declared Vice-Chairman, thanked the Committee for the honour conferred upon him.

On motion of Mr. Muir (*Lisgar*), seconded by Mr. Lefebvre,
Resolved,—That 750 copies in English and 350 copies in French of the Committee's Minutes of Proceedings and Evidence be printed.

On motion of Mr. Clermont, seconded by Mr. Lefebvre,
Resolved,—That the Sub-Committee on Agenda and Procedure be comprised of the Chairman, the Vice-Chairman and four other members of this Committee appointed by the Chairman after consultations with the Whips of the different parties.

On motion of Mr. Clermont, seconded by Mr. Côté (*Richelieu*),
Resolved,—That the items listed in the Revised Estimates for the fiscal year ending March 31, 1969, relating to Agriculture, the Canadian Dairy Commission, the Canadian Livestock Feed Board, and the Farm Credit Corporation, they having been referred to the Committee, be printed as an appendix to Issue No. 1 of the Committee's Proceedings. (*See appendix A*).

On a suggestion of Mr. Lefebvre, it was agreed that the following subjects be referred to the Sub-Committee on Agenda and Procedure:

- (a) tour of eastern Canada by the Committee;
- (b) the speed with which French Proceedings are produced.

During a discussion of matters of interest to Committee members, it was agreed that the Minister of Agriculture be invited to make a statement at the Committee's next meeting.

Further, the Chairman advised that suggestions made in the discussion would be considered by the Sub-Committee on Agenda and Procedure.

At 10.30 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

APPENDIX "A"

AGRICULTURE

REVISED ESTIMATES, 1968-69

AGRICULTURE

No. of Vote	Service	1968-69	1967-68	Change	
				Increase	Decrease
		\$	\$	\$	\$
	A—DEPARTMENT				
(S)	Minister of Agriculture—Salary and Motor Car Allowance (Details, page 11).....	17,000	17,000		
	ADMINISTRATION				
1	Departmental Administration including the Canadian Agricultural Services Co-ordinating Committee, contributions to the Commonwealth Agricultural Bureaux, and a contribution to the Agricultural Economics Research Council in an amount equal to one-half the contributions to the Council from other sources during the fiscal year but not exceeding \$50,000 (Details, page 11).....	8,520,375	6,652,800	1,867,575	
	RESEARCH				
5	Administration, Operation and Maintenance including the costs of publishing departmental research papers as supplements to the "Canadian Entomologist" (Details, page 15)	34,965,600	33,220,400	1,745,200	
10	Construction or Acquisition of Buildings, Works, Land and Equipment (Details, page 18).....	5,571,300	6,000,000		428,700
12	Grants as detailed in the Estimates and Canada's fee for membership in the International Society for Horticultural Science (Details, page 18).....	800,400	625,400	175,000	
		41,337,300	39,845,800	1,491,500	
	PRODUCTION AND MARKETING				
	Administration				
15	Administration, Operation and Maintenance including the administration of the Agricultural Stabilization Act, and contributions to assist in the Marketing of Agricultural Products subject to the approval of Treasury Board (Details, page 18).....	2,448,800	3,161,200		712,400
17	Grants, Contributions and Subsidies as detailed in the Estimates (Details, page 21).....	144,750,000	109,000,000	35,750,000	
(S)	Contributions to the Provinces under the Crop Insurance Act (Details, page 22).....	4,700,000	5,000,000		300,000
		151,898,800	117,161,200	34,737,600	
	Animal and Animal Products				
20	Administration, Operation and Maintenance (Details, page 22).....	8,478,500	7,948,700	529,800	
25	Grants, Contributions and Subsidies in the amounts and subject to the terms specified in the sub-vote titles listed in the Details of the Estimates (Details, page 26).....	7,908,400	12,923,800		5,015,400
		16,386,900	20,872,500		4,485,600

No. of Vote	Service	1968-69	1967-68	Change	
				Increase	Decrease
		\$	\$	\$	\$
	PRODUCTION AND MARKETING (Continued)				
	Plant and Plant Products				
30	Administration, Operation and Maintenance (Details, page 28).....	8,394,400	8,271,900	122,500	
35	Grants, Contributions and Subsidies as detailed in the Estimates (Details, page 31).....	130,000	333,000	.....	203,000
		8,524,400	8,604,900	.....	80,500
	HEALTH OF ANIMALS				
40	Administration, Operation and Maintenance including authority, notwithstanding the Financial Administration Act, to spend revenue received during the year from pack- ers requiring special services (Details, page 32).....	17,000,400	16,127,200	873,200	
45	Grants, Contributions and Subsidies as detailed in the Estimates (Details, page 33).....	1,766,600	1,386,600	380,000	
		18,767,000	17,513,800	1,253,200	
	BOARD OF GRAIN COMMISSIONERS				
(S)	Salaries of the Commissioners (Details, page 34).....	61,000	53,000	8,000	
50	Administration, Operation and Maintenance including Canada's fee for membership in the International Association of Cereal Chemistry and authority to purchase screen- ings (Details, page 34).....	8,784,000	8,128,200	655,800	
51	Construction or Acquisition of Buildings, Works, Land and Equipment (Details, page 38).....	1,502,000	2,267,000	.....	765,000
		10,347,000	10,448,200	.....	101,200
	SUMMARY				
	To be voted.....	251,020,775	216,046,200	34,974,575	
	Authorized by Statute.....	4,778,000	5,070,000	.....	292,000
		255,798,775	221,116,200	34,682,575	

No. of Vote	Service	1968-69	1967-68	Change	
				Increase	Decrease
		\$	\$	\$	\$
	B—CANADIAN DAIRY COMMISSION				
55	Administration, Operation and Maintenance (Details, page 39).....	303,000	208,700	94,300	
	C—CANADIAN LIVESTOCK FEED BOARD (Formerly the responsibility of the Minister of Forestry and Rural Development)				
60	Administration, Operation and Maintenance (Details, page 40).....	301,800	156,000	145,800	
65	Freight Assistance on Western Feed Grains including assistance in respect of grain storage costs in accordance with the terms and conditions prescribed by the Governor in Council (Details, page 41).....	21,600,000	22,000,000	.....	400,000
		21,901,800	22,156,000	.....	254,200
	D—FARM CREDIT CORPORATION				
70	Estimated amount required to provide for the operating loss of the Farm Credit Corpora- tion for the fiscal year ending March 31, 1969 (Details, page 41).....	6,000,000	3,900,000	2,100,000	

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT		
		Approximate Value of Major Services not included in these Estimates		
		Accommodation (provided by the Department of Public Works).....	3,942,300	3,239,400
		Accommodation (in this Department's own buildings)..	4,372,500	3,898,900
		Accounting and cheque issue services (Comptroller of the Treasury).....	1,076,700	1,068,900
		Contributions to Superannuation Account (Treasury Board).....	7,041,000	4,696,800
		Contributions to Canada Pension Plan Account and Quebec Pension Plan Account (Treasury Board)..	934,200	727,900
		Employee surgical-medical insurance premiums (Treasury Board).....	201,700	464,300
		Employee compensation payments (Department of Labour).....	122,700	148,400
		Carrying of franked mail (Post Office Department)....	389,600	273,500
			18,080,700	14,518,100
		Statutory—Minister of Agriculture—Salary and Motor Car Allowance		
		Salary.....(1)	15,000	15,000
		Motor Car Allowance.....(1)	2,000	2,000
			17,000	17,000
		ADMINISTRATION		
		Vote 1—Departmental Administration including the Canadian Agricultural Services Co-ordinating Committee, contributions to the Commonwealth Agricultural Bureaux and a contribution to the Agricultural Economics Research Council in an amount equal to one-half the contributions to the Council from other sources during the fiscal year but not exceeding \$50,000		
		DEPARTMENTAL ADMINISTRATION INCLUDING THE CANADIAN AGRICULTURAL SERVICES CO-ORDINATING COMMITTEE		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		Deputy Minister (\$28,750)		
		Senior Officer 3 (\$20,500-\$25,750)		
		Senior Officer 2 (\$18,500-\$23,500)		
		Senior Officer 1 (\$16,500-\$21,250)		
		(18,000-\$21,000)		
		(14,000-\$16,000)		
		(12,000-\$14,000)		
		(10,000-\$12,000)		
		(8,000-\$10,000)		
		(6,000-\$8,000)		
		(4,000-\$6,000)		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		ADMINISTRATION (Continued)		
		Vote 1 (Continued)		
		DEPARTMENTAL ADMINISTRATION (Continued)		
		Salaried Positions:(Continued)		
		Administrative and Foreign Service:		
		(\$18,000-\$21,000)		
3		(\$16,000-\$18,000)		
4	3	(\$14,000-\$16,000)		
15	14	(\$12,000-\$14,000)		
20	20	(\$10,000-\$12,000)		
29	21	(\$8,000-\$10,000)		
70	51	(\$6,000-\$8,000)		
	3	(\$4,000-\$6,000)		
	3	Technical, Operational and Service:		
		(\$8,000-\$10,000)		
1	1	(\$6,000-\$8,000)		
2	2	(\$4,000-\$6,000)		
5	4	(Under \$4,000)		
	4	Administrative Support:		
		(\$8,000-\$10,000)		
4	4	(\$6,000-\$8,000)		
42	32	(\$4,000-\$6,000)		
246	172	(Under \$4,000)		
33	36			
525	417	Continuing Establishment.....	3,475,575	2,760,000
(525)	(417)	Casuals and Others.....	26,000	18,000
(6)	(5)			
(531)	(422)	Salaries and Wages.....(1)	3,501,575	2,778,000
		Overtime.....(1)	7,000	6,500
		Allowances.....(1)	6,400	11,500
		Travelling and Removal Expenses.....(2)	220,200	106,200
		Expenses of Delegates to International Conferences.....(2)	22,000	56,000
		Freight, Express and Cartage.....(2)	4,900	8,600
		Postage.....(2)	7,500	4,800
		Telephones and Telegrams.....(2)	62,500	37,000
		Expenses of Canadian Agricultural Services Co-ordinating Committee.....(2)	5,000	5,000
		Publication of Departmental Reports and other Material.....(3)	16,700	5,500
		Professional and Special Services.....(4)	622,200	28,900
		Rental of Equipment.....(5)	541,300	381,500
		Repairs and Upkeep of Office Equipment.....(6)	500	500
		Office Stationery, Supplies and Equipment.....(7)	204,600	142,800
		Purchase of Books, Periodicals and Bindings.....(7)	94,900	79,500
		Acquisition of Equipment and Furnishings.....(9)	38,500	74,000
		Sundries.....(12)	18,100	6,700
			5,373,875	3,732,400
		Expenditure		
		1965-66.....\$ 2,029,471		
		1966-67.....2,771,083		
		1967-68 (estimated).....3,839,900		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		ADMINISTRATION (Continued)		
		Vote 1 (Continued)		
		INFORMATION DIVISION		
		Salaried Positions:		
		Administrative and Foreign Service:		
2	1	(\$16,000—\$18,000)		
3	3	(\$14,000—\$16,000)		
6	5	(\$10,000—\$12,000)		
16	16	(\$8,000—\$10,000)		
		Technical, Operational and Service:		
1	1	(\$12,000—\$14,000)		
3	2	(\$8,000—\$10,000)		
9	10	(\$6,000—\$8,000)		
8	7	(\$4,000—\$6,000)		
	8	(Under \$4,000)		
		Administrative Support:		
4	3	(\$6,000—\$8,000)		
23	17	(\$4,000—\$6,000)		
2	2	(Under \$4,000)		
77	75	Continuing Establishment.....	549,000	519,000
(77)	(75)	Casuals and Others.....	10,000	8,000
(2)	(2)			
(79)	(77)	Salaries and Wages.....(1)	559,000	527,000
		Overtime.....(1)	2,500	1,900
		Travelling and Removal Expenses.....(2)	17,600	17,600
		Freight, Express and Cartage.....(2)	5,500	5,500
		Postage.....(2)	6,100	5,500
		Telephones and Telegrams.....(2)	7,000	4,500
		Publication of Departmental Reports and other		
		Material.....(3)	164,600	148,000
		Advertising.....(3)	150,000	140,000
		Films and Exhibits.....(3)	143,900	116,000
		Professional and Special Services.....(4)	4,000	4,000
		Rental of Equipment.....(5)	1,000	1,000
		Repairs and Upkeep of Equipment.....(6)	2,000	900
		Office Stationery, Supplies and Equipment.....(7)	44,500	31,600
		Other Materials and Supplies.....(7)	13,500	20,400
		Acquisition of Equipment and Furnishings.....(9)	30,100	23,000
		Sundries.....(12)	1,200	12,400
			1,152,500	1,059,300
		Expenditure		
		1965-66.....\$ 684,815		
		1966-67.....812,823		
		1967-68 (estimated).....1,040,300		
		CONTRIBUTIONS TO COMMONWEALTH AGRICULTURAL		
		BUREAUX (£140,925).....(10)	366,400	390,000
		Expenditure		
		1965-66.....\$ 243,238		
		1966-67.....242,786		
		1967-68 (estimated).....403,200		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		ADMINISTRATION (Continued)		
		Vote 1 (Continued)		
		ECONOMICS BRANCH INCLUDING A CONTRIBUTION TO THE AGRICULTURAL ECONOMICS RESEARCH COUNCIL IN AN AMOUNT EQUAL TO ONE-HALF THE CONTRIBUTIONS TO THE COUNCIL FROM OTHER SOURCES DURING THE FISCAL YEAR BUT NOT EXCEEDING \$50,000		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		Senior Economist 2 (\$18,500-\$23,500)		
1	1	(\$18,000-\$21,000)		
4	2	(\$16,000-\$18,000)		
5	2	(\$14,000-\$16,000)		
13	16	(\$12,000-\$14,000)		
16	19	(\$10,000-\$12,000)		
16		(\$8,000-\$10,000)		
20	35	(Seasonal)		
2	2	Administrative and Foreign Service:		
		(\$8,000-\$10,000)		
2	2	Technical, Operational and Service:		
		(\$8,000-\$10,000)		
5	6	(\$6,000-\$8,000)		
14	10	(\$4,000-\$6,000)		
1	2	Administrative Support:		
		(\$6,000-\$8,000)		
4	4	(\$4,000-\$6,000)		
38	39	(Under \$4,000)		
1	2			
142	142			
(141)	(141)	Continuing Establishment.....	1,146,500	1,095,900
(7)	(7)	Casuals and Others.....	27,000	26,200
(148)	(148)	Salaries and Wages.....(1)	1,173,500	1,122,100
		Overtime.....(1)	1,000	1,000
		Allowances.....(1)	4,400	9,200
		Travelling and Removal Expenses.....(2)	62,700	56,500
		Freight, Express and Cartage.....(2)	400	400
		Postage.....(2)	200	200
		Telephones and Telegrams.....(2)	12,200	8,500
		Publication of Departmental Reports and Other Material.....(3)	56,000	41,700
		Professional and Special Services.....(4)	220,400	104,200
		Rental of Equipment.....(5)	11,000	
		Repairs and Upkeep of Equipment and Furnishings.....(6)	3,500	3,500
		Office Stationery, Supplies and Equipment.....(7)	24,200	15,600
		Other Materials and Supplies.....(7)	1,900	1,900
		Acquisition of Equipment and Furnishings.....(9)	6,000	47,100
		Contribution to the Agricultural Economics Re- search Council.....(10)	50,000	50,000
		Sundries.....(12)	200	200
			1,627,600	1,462,100
		Expenditure		
		1965-66.....\$ 979,176		
		1966-67.....1,044,750		
		1967-68 (estimated).....1,362,100		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		ADMINISTRATION (Continued)		
		Vote 1 (Continued)		
		ECONOMICS BRANCH (Continued)		
		Total, Vote 1.....	8,520,375	6,652,800
		Expenditure		
		1965-66.....	\$ 3,936,700	
		1966-67.....	4,871,442	
		1967-68 (estimated).....	6,645,500	
		RESEARCH		
		Vote 5—Administration, Operation and Maintenance including the costs of publishing departmental research papers as supplements to the "Canadian Entomologist"		
		BRANCH ADMINISTRATION INCLUDING THE COSTS OF PUBLISHING DEPARTMENTAL RESEARCH PAPERS AS SUPPLEMENTS TO THE "CANADIAN ENTOMOLOGIST"		
		Salaried Positions:		
		Executive, Scientific and Professional:		
2	2	Senior Officer 2 (\$18,500-\$23,500)		
	4	Senior Officer 1 (\$16,500-\$21,250)		
2		Research Management, level 3 (\$21,840)		
15	4	Research Management, level 3 (\$18,211-\$21,330)		
1	4	(\$18,000-\$21,000)		
1	8	(\$16,000-\$18,000)		
6	7	(\$14,000-\$16,000)		
	2	(\$12,000-\$14,000)		
5		(\$10,000-\$12,000)		
1	6	(\$8,000-\$10,000)		
1		(\$6,000-\$8,000)		
	1	Administrative and Foreign Service:		
	3	(\$16,000-\$18,000)		
4	8	(\$12,000-\$14,000)		
1	1	(\$8,000-\$10,000)		
		(\$6,000-\$8,000)		
	1	Technical, Operational and Service:		
1	1	(\$14,000-\$16,000)		
6	5	(\$12,000-\$14,000)		
1	1	(\$10,000-\$12,000)		
16	11	(\$8,000-\$10,000)		
36	28	(\$6,000-\$8,000)		
40	47	(\$4,000-\$6,000)		
	12	(Under \$4,000)		
		Administrative Support:		
3	8	(\$6,000-\$8,000)		
65	78	(\$4,000-\$6,000)		
11	12	(Under \$4,000)		
		Prevailing Rate Positions:		
41	40	(Full Time)		
7	7	(Part Time)		
4	4	(Seasonal)		
273	300			

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		RESEARCH (Continued)		
		Vote 5 (Continued)		
		BRANCH ADMINISTRATION (Continued)		
(268)	(295)	Continuing Establishment.....	1,829,800	1,911,200
(8)	(9)	Casuals and Others.....	41,900	41,900
(276)	(304)	Salaries and Wages.....(1)	1,871,700	1,953,100
		Overtime.....(1)	13,600	13,600
		Allowances.....(1)	500	1,000
		Unemployment Insurance Contributions.....(1)	200	200
		Travelling and Removal Expenses.....(2)	84,300	65,000
		Freight, Express and Cartage.....(2)	17,000	18,000
		Postage.....(2)	20,000	20,000
		Telephones and Telegrams.....(2)	32,200	18,000
		Publication of Departmental Reports and other		
		Material.....(3)	130,000	150,000
		Professional and Special Services.....(4)	260,700	80,000
		Rental of Equipment.....(5)	15,900	4,000
		Repairs and Upkeep of Buildings and Works.....(6)	54,400	45,000
		Repairs and Upkeep of Equipment.....(6)	45,000	53,000
		Office Stationery, Supplies and Equipment.....(7)	47,600	40,000
		Other Materials and Supplies.....(7)	127,000	115,000
		Sundries.....(12)	200	5,000
			2,720,300	2,580,900
		Expenditure		
		1965-66.....	\$ 2,403,542	
		1966-67.....	2,374,489	
		1967-68 (estimated).....	2,574,600	
		INSTITUTES, STATIONS, FARMS, LABORATORIES AND SERVICES—OPERATION AND MAINTENANCE		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		Research Management, level 3 (\$18,211-\$21,330)		
22		(\$18,000-\$21,000)		
98	21	(\$16,000-\$18,000)		
9	73	(\$14,000-\$16,000)		
492	506	(\$12,000-\$14,000)		
11	21	(\$10,000-\$12,000)		
307	143	(\$8,000-\$10,000)		
7	181	(\$6,000-\$8,000)		
1	2			
		Administrative and Foreign Service:		
1		(\$14,000-\$16,000)		
1		(\$12,000-\$14,000)		
1	1	(\$10,000-\$12,000)		
25	21	(\$8,000-\$10,000)		
1	2	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
	1	(\$14,000-\$16,000)		
2		(\$12,000-\$14,000)		
4	3	(\$10,000-\$12,000)		
35	20	(\$8,000-\$10,000)		
470	429	(\$6,000-\$8,000)		
1,055	1,077	(\$4,000-\$6,000)		
9	15	(Under \$4,000)		
1	2	(Part Time)		
7	8	(Seasonal)		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		RESEARCH (Continued)		
		Vote 5 (Continued)		
		INSTITUTES, STATIONS, FARMS, LABORATORIES AND SERVICES—OPERATION AND MAINTENANCE (Continued)		
		Salaried Positions: (Continued)		
		Administrative Support:		
1	1	(\$8,000-\$10,000)		
33	32	(\$6,000-\$8,000)		
233	226	(\$4,000-\$6,000)		
22	23	(Under \$4,000)		
2	3	(Part Time)		
2	4	(Seasonal)		
546	539	Prevailing Rate Positions:		
2	2	(Full Time)		
360	370	(Part Time)		
		(Seasonal)		
3,760	3,726	Continuing Establishment.....	24,600,560	23,478,254
(3,611)	(3,569)	Casuals and Others.....	981,640	854,346
(229)	(222)			
(3,840)	(3,791)	Salaries and Wages..... (1)	25,582,200	24,332,600
		Overtime..... (1)	272,500	272,500
		Allowances..... (1)	90,000	90,000
		Unemployment Insurance Contributions..... (1)	2,700	2,700
		Travelling and Removal Expenses..... (2)	557,700	610,000
		Freight, Express and Cartage..... (2)	70,000	70,000
		Telephones and Telegrams..... (2)	190,000	142,000
		Professional and Special Services..... (4)	405,000	350,000
		Rental of Land and Buildings..... (5)	84,200	90,000
		Rental of Equipment..... (5)	82,000	73,000
		Repairs and Upkeep of Buildings and Works..... (6)	475,000	475,000
		Repairs and Upkeep of Equipment and Furnishings.. (6)	410,700	410,000
		Office Stationery, Supplies and Equipment..... (7)	375,800	320,000
		Fuel for Heating..... (7)	265,000	265,000
		Feed for Livestock..... (7)	981,600	860,000
		Other Materials and Supplies..... (7)	1,630,100	1,510,000
		Municipal or Public Utility Services..... (7)	744,000	706,200
		Sundries..... (12)	26,800	60,500
			32,245,300	30,639,500
		Expenditure Revenue		
		1965-66..... \$ 25,062,901 \$1,205,915		
		1966-67..... 28,381,355 1,449,820		
		1967-68 (estimated)..... 30,630,000 1,255,000		
		Total, Vote 5.....	34,965,600	33,220,400
		Expenditure Reveune		
		1965-66..... \$ 27,466,443 \$1,205,915		
		1966-67..... 30,755,844 1,449,820		
		1967-68 (estimated)..... 33,204,600 1,255,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A-DEPARTMENT (Continued)		
		RESEARCH (Continued)		
		Vote 10—Construction or Acquisition of Buildings, Works, Land and Equipment		
		Purchase of Livestock..... (7)	69,000	80,000
		Construction or Acquisition of Buildings, Works and Land..... (8)	3,540,000	4,000,000
		Construction or Acquisition of Equipment and Furnishings..... (9)	1,962,300	1,920,000
			5,571,300	6,000,000
		Expenditure		
		1965-66..... \$ 4,980,748		
		1966-67..... 4,249,662		
		1967-68 (estimated)..... 5,900,000		
		Vote 12—Grants as detailed in the Estimates and Canada's fee for membership in the International Society for Horticultural Science		
		Grants in aid of agricultural research in universities and other scientific organizations in Canada..... (10)	800,000	625,000
		Fee for Membership in the International Society for Horticultural Science..... (10)	400	400
			800,400	625,400
		Expenditure		
		1965-66..... \$ 145,361		
		1966-67..... 443,766		
		1967-68 (estimated)..... 625,400		
		PRODUCTION AND MARKETING		
		Administration		
		Vote 15—Administration, Operation and Maintenance, including the administration of the Agricultural Stabilization Act and contributions to assist in the marketing of agricultural products, subject to the approval of Treasury Board		
		BRANCH ADMINISTRATION INCLUDING CONTRIBUTIONS TO ASSIST IN THE MARKETING OF AGRICULTURAL PRODUCTS, SUBJECT TO THE APPROVAL OF TREASURY BOARD		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		Senior Officer 2 (\$18,500-\$23,500)		
		(\$14,000-\$16,000)		
		(\$12,000-\$14,000)		
		(\$10,000-\$12,000)		
		(\$8,000-\$10,000)		
		(\$6,000-\$8,000)		
1	1			
2	2			
	1			
7	4			
17	24			
19	22			

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Administration (Continued)		
		Vote 15 (Continued)		
		BRANCH ADMINISTRATION (Continued)		
		Salaried Positions: (Continued)		
		Administrative and Foreign Service:		
2		(\$16,000-\$18,000)		
1	2	(\$14,000-\$16,000)		
2	1	(\$12,000-\$14,000)		
1	1	(\$10,000-\$12,000)		
4	7	(\$8,000-\$10,000)		
1	2	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
26	47	(\$6,000-\$8,000)		
5	41	(\$4,000-\$6,000)		
		Administrative Support:		
9	13	(\$6,000-\$8,000)		
30	62	(\$4,000-\$6,000)		
6	11	(Under \$4,000)		
2	2	(Part Time)		
		Prevailing Rate Positions:		
1	1	(Part Time)		
136	244			
(132)	(243)	Continuing Establishment.....	800,600	1,463,700
(2)	(2)	Casuals and Others.....	5,300	5,300
(134)	(245)	Salaries and Wages.....(1)	805,900	1,469,000
		Overtime.....(1)	1,400	2,000
		Allowances.....(1)	6,800	6,800
		Travelling and Removal Expenses.....(2)	157,400	168,700
		Freight, Express and Cartage.....(2)	1,100	1,500
		Postage.....(2)	1,100	1,200
		Telephones and Telegrams.....(2)	12,900	9,700
		Publication of Reports and other Material.....(3)	28,000	27,500
		Professional and Special Services.....(4)	1,500	2,300
		Repairs and Upkeep of Equipment and Furnishings.....(6)	2,000	3,300
		Office Stationery, Supplies and Equipment.....(7)	13,200	16,500
		Other Materials and Supplies.....(7)	4,100	10,200
		Repairs and Upkeep of Equipment and Furnishings.....(7)	400	400
		Acquisition of Equipment and Furnishings.....(9)	12,800	40,400
		Contributions to assist in the marketing of agricultural products.....(10)	20,000	20,000
		Sundries.....(12)	100	1,000
			1,068,700	1,780,500
		Expenditure		
		1965-66.....\$ 1,188,934		
		1966-67.....1,360,317		
		1967-68 (estimated).....1,626,600		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Administration (Continued)		
		Vote 15 (Continued)		
		AGRICULTURAL STABILIZATION ACT ADMINISTRATION		
		Salaried Positions:		
		Administrative and Foreign Service:		
1		(\$14,000-\$16,000)		
1	1	(\$12,000-\$14,000)		
	1	(\$10,000-\$12,000)		
	1	(\$8,000-\$10,000)		
3	3	Administrative Support:		
		(\$4,000-\$6,000)		
5	6	Continuing Establishment.....	46,000	50,000
(5)	(6)	Casuals and Others.....	300,600	324,500
(79)	(106)			
(84)	(112)	Salaries and Wages.....(1)	246,600	374,500
		Overtime.....(1)	3,000	3,000
		Allowances.....(1)		100
		Travelling and Removal Expenses.....(2)	5,000	5,000
		Expenses of Farmer and Farm Organization Ad- visory Committee.....(2)	5,500	7,000
		Freight, Express and Cartage.....(2)	200	200
		Telephones and Telegrams.....(2)	2,700	2,100
		Professional and Special Services.....(4)	2,000	2,000
		Repairs and Upkeep of Equipment and Furnishings..(6)	200	200
		Office Stationery, Supplies and Equipment.....(7)	4,000	4,000
		Acquisition of Equipment and Furnishings.....(9)	1,400	6,600
			370,600	404,700
		Expenditure		
		1965-66.....\$ 377,845		
		1966-67.....391,263		
		1967-68 (estimated).....428,600		
		PRAIRIE FARM ASSISTANCE ACT ADMINISTRATION		
		Salaried Positions:		
		Administrative and Foreign Service:		
1	1	(\$14,000-\$16,000)		
1	1	(\$12,000-\$14,000)		
2	2	(\$8,000-\$10,000)		
15	15	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
1		(\$8,000-\$10,000)		
1	2	(\$6,000-\$8,000)		
2	2	(\$4,000-\$6,000)		
		Administrative Support:		
1	1	(\$8,000-\$10,000)		
2	2	(\$6,000-\$8,000)		
28	29	(\$4,000-\$6,000)		
2	3	(Under \$4,000)		
56	58	Continuing Establishment.....	370,500	351,000
(56)	(58)	Casuals and Others.....	326,000	326,000
(70)	(70)			
(126)	(128)	Salaries and Wages.....(1)	696,500	677,000
		Unemployment Insurance Contributions.....(1)	1,000	1,000
		Travelling and Removal Expenses.....(2)	264,500	250,500

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Administration (Continued)		
		Vote 15 (Continued)		
		PRAIRIE FARM ASSISTANCE ACT ADMINISTRATION (Continued)		
		Freight, Express and Cartage.....(2)	1,000	1,000
		Postage.....(2)	6,000	6,000
		Telephones and Telegrams.....(2)	15,000	15,000
		Rental of Buildings.....(5)	3,000	3,000
		Office Stationery, Supplies and Equipment.....(7)	20,000	20,000
		Other Materials and Supplies.....(7)	1,500	1,500
		Sundries.....(12)	1,000	1,000
			1,009,500	976,000
		Expenditure		
		1965-66.....\$ 793,070		
		1966-67.....846,383		
		1967-68 (estimated).....1,106,000		
		Total, Vote 15.....	2,448,800	3,161,200
		Expenditure		
		1965-66.....\$ 2,359,849		
		1966-67.....2,597,963		
		1967-68 (estimated).....3,161,200		
		Vote 17—Grants, Contributions and Subsidies as detailed in the Estimates		
		ESTIMATED AMOUNT REQUIRED TO RECOUP THE AGRI- CULTURAL COMMODITIES STABILIZATION ACCOUNT TO COVER THE NET OPERATING LOSS OF THE AGRI- CULTURAL STABILIZATION BOARD AS AT MARCH 31, 1969.....(10)	144,500,000	100,000,000
		Expenditure		
		1965-66.....\$ 39,407,119		
		1966-67.....88,670,286		
		1967-68 (estimated).....143,000,000		
		ESTIMATED AMOUNT REQUIRED TO RECOUP THE AGRI- CULTURAL PRODUCTS BOARD ACCOUNT TO COVER THE NET OPERATING LOSS RECORDED IN THE ACCOUNT AS AT MARCH 31, 1969.....(10)	250,000	9,000,000
		Expenditure		
		1965-66.....\$ 1,619,121		
		1966-67.....5,663,000		
		1967-68 (estimated).....1,423,000		
		Total, Vote 17.....	144,750,000	109,000,000
		Expenditure		
		1965-66.....\$ 60,236,565		
		1966-67.....94,774,851		
		1967-68 (estimated).....144,423,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Administration (Continued)		
		Statutory—Contributions to the Provinces under the Crop Insurance Act (Chap. 42 R.S., as amended).....(10)	4,700,000	5,000,000
		Expenditure		
		1965-66.....\$ 631,419		
		1966-67.....1,270,004		
		1967-68 (estimated).....3,500,000		
		Animal and Animal Products		
		Vote 20—Administration, Operation and Main- tenance		
		DAIRY PRODUCTS DIVISION—OPERATION AND MAINTENANCE		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1	1	(\$18,000-\$21,000)		
	2	(\$16,000-\$18,000)		
2	2	(\$14,000-\$16,000)		
4	4	(\$12,000-\$14,000)		
19	12	(\$10,000-\$12,000)		
7	14	(\$8,000-\$10,000)		
		Administrative and Foreign Service:		
2	3	(\$8,000-\$10,000)		
		Technical, Operational and Service:		
62	37	(\$6,000-\$8,000)		
16	42	(\$4,000-\$6,000)		
2	4	(Under \$4,000)		
4	4	(Part Time)		
2	2	(Seasonal)		
		Administrative Support:		
2	2	(\$6,000-\$8,000)		
28	29	(\$4,000-\$6,000)		
9	11	(Under \$4,000)		
		Prevailing Rate Positions:		
2	2	(Full Time)		
162	169	Continuing Establishment.....	923,400	961,900
(159)	(166)	Casuals and Others.....	20,000	25,000
(7)	(10)			
(166)	(176)	Salaries and Wages.....(1)	943,400	986,900
		Overtime.....(1)	1,100	1,100
		Unemployment Insurance Contributions.....(1)	500	500
		Travelling and Removal Expenses.....(2)	99,000	101,000
		Freight, Express and Cartage.....(2)	3,500	3,500
		Postage.....(2)	5,700	5,500
		Telephones and Telegrams.....(2)	11,000	10,300
		Publication of Reports and other Material.....(3)	4,200	4,200
		Professional and Special Services.....(4)	6,900	6,900
		Rental of Buildings and Works.....(5)	2,000	2,000
		Repairs and Upkeep of Equipment and Furnishings..(6)	7,000	7,000
		Office Stationery, Supplies and Equipment.....(7)	15,000	13,000
		Other Materials and Supplies.....(7)	25,500	25,500
		Acquisition of Equipment and Furnishings.....(9)	17,500	24,300

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Animal and Animal Products (Continued)		
		Vote 20 (Continued)		
		DAIRY PRODUCTS DIVISION—OPERATION AND MAINTENANCE (Continued)		
		Sundries.....(12)	100	100
			1,142,400	1,191,800
		Expenditure		
		1965-66.....\$ 978,730		
		1966-67.....1,056,251		
		1967-68 (estimated).....1,137,900		
		LIVESTOCK DIVISION—OPERATION AND MAINTENANCE INCLUDING CONTRIBUTIONS FOR LIVESTOCK IMPROVEMENT; STOCKYARD SUPERVISION AND FURS		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1	1	(\$18,000-\$21,000)		
3	3	(\$16,000-\$18,000)		
10	10	(\$14,000-\$16,000)		
34	17	(\$12,000-\$14,000)		
57	72	(\$10,000-\$12,000)		
	1	(\$8,000-\$10,000)		
	1	(\$6,000-\$8,000)		
		Administrative and Foreign Service:		
2	1	(\$12,000-\$14,000)		
1	1	(\$8,000-\$10,000)		
		Technical, Operational and Service:		
87	27	(\$6,000-\$8,000)		
219	266	(\$4,000-\$6,000)		
1	1	(Seasonal)		
		Administrative Support:		
6	5	(\$6,000-\$8,000)		
65	66	(\$4,000-\$6,000)		
25	25	(Under \$4,000)		
12	12	Prevailing Rate Positions: (Full Time)		
523	508	Continuing Establishment.....	3,066,700	2,859,000
(523)	(507)	Casuals and Others.....	30,000	30,000
(7)	(7)			
(530)	(514)	Salaries and Wages.....(1)	3,096,700	2,889,000
		Overtime.....(1)	36,000	18,000
		Unemployment Insurance Contributions.....(1)	300	300
		Travelling and Removal Expenses.....(2)	212,100	216,400
		Freight, Express and Cartage.....(2)	7,000	8,000
		Postage.....(2)	6,100	6,100
		Telephones and Telegrams.....(2)	28,000	22,000
		Publication of Reports and other Material.....(3)	38,000	7,200

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A-DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Animal and Animal Products (Continued)		
		Vote 20 (Continued)		
		LIVESTOCK DIVISION—OPERATION AND MAINTENANCE (Continued)		
		Professional and Special Services.....(4)	33,000	27,400
		Rental of Buildings.....(5)	1,500	1,500
		Repairs and Upkeep of Buildings and Works.....(6)	17,000	10,000
		Repairs and Upkeep of Equipment and Furnishings..(6)	15,300	13,000
		Office Stationery, Supplies and Equipment.....(7)	37,000	38,000
		Printing of Premium Warrants for high grade hog carcasses and for high grade lamb carcasses....(7)	69,800	59,800
		Purchase of Livestock.....(7)	72,100	61,000
		Other Materials and Supplies.....(7)	74,800	73,600
		Construction or Acquisition of Buildings and Works.(8)	191,000	
		Acquisition of Equipment and Furnishings.....(9)	35,500	51,000
		Contributions for Livestock Improvement.....(10)	17,000	17,000
		Sundries.....(12)	6,000	4,000
			3,994,200	3,523,300
		Expenditure Revenue		
		1965-66.....\$ 3,091,105 \$ 286,500		
		1966-67.....3,396,261 330,927		
		1967-68 (estimated).....3,523,300 345,000		
		LIVESTOCK DIVISION—SUPERVISION OF RACE TRACK BETTING		
		Salaried Positions:		
		Administrative and Foreign Service:		
		(14,000-\$16,000)		
		(10,000-\$12,000)		
		(\$8,000-\$10,000)		
		Administrative Support:		
		(\$6,000-\$8,000)		
		(\$4,000-\$6,000)		
		(Under \$4,000)		
1	1			
2	3			
2	1			
1	1			
11	11			
1	1			
18	18			
(18)	(18)			
		Salaries and Wages.....(1)	111,500	107,000
		Travelling and Removal Expenses.....(2)	12,000	12,000
		Freight, Express and Cartage.....(2)	500	500
		Postage.....(2)	500	500
		Telephones and Telegrams.....(2)	2,000	2,000
		Professional and Special Services.....(4)	1,536,500	1,491,000
		Repairs and Upkeep of Equipment and Furnishings..(6)	1,500	1,500
		Office Stationery, Supplies and Equipment.....(7)	4,000	5,000
		Acquisition of Equipment and Furnishings.....(9)	2,800	3,700
		Sundries.....(12)	200	200
			1,671,500	1,623,400
		Expenditure Revenue		
		1965-66.....\$ 1,259,657 \$1,524,676		
		1966-67.....1,553,489 1,888,954		
		1967-68 (estimated).....1,637,400 1,969,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Animal and Animal Products (Continued)		
		Vote 20 (Continued)		
		POULTRY DIVISION—OPERATION AND MAINTENANCE		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		(18,000—\$21,000)		
	1	(16,000—\$18,000)		
3	3	(14,000—\$16,000)		
6	6	(12,000—\$14,000)		
26	13	(10,000—\$12,000)		
27	41	(\$8,000—\$10,000)		
	1	(\$6,000—\$8,000)		
		Administrative and Foreign Service:		
1	1	(\$8,000—\$10,000)		
		Technical, Operational and Service:		
1		(\$8,000—\$10,000)		
35	36	(\$6,000—\$8,000)		
5	51	(\$4,000—\$6,000)		
		Administrative Support:		
2	2	(\$6,000—\$8,000)		
35	35	(\$4,000—\$6,000)		
192	190			
(192)	(190)	Continuing Establishment.....	1,329,500	1,280,500
(2)	(2)	Casuals and Others.....	7,000	7,000
(194)	(192)	Salaries and Wages..... (1)	1,336,500	1,287,500
		Overtime..... (1)	3,500	2,500
		Travelling and Removal Expenses..... (2)	159,000	162,800
		Freight, Express and Cartage..... (2)	3,300	3,000
		Postage..... (2)	3,700	3,700
		Telephones and Telegrams..... (2)	20,300	18,000
		Publication of Reports and other Material..... (3)	27,000	24,000
		Professional and Special Services..... (4)	14,700	10,700
		Rental of Buildings and Works..... (5)	3,600	3,600
		Repairs and Upkeep of Buildings and Works..... (6)	4,500	2,400
		Repairs and Upkeep of Equipment and Furnishings.. (6)	10,500	10,000
		Office Stationery, Supplies and Equipment..... (7)	13,300	12,000
		Other Materials and Supplies..... (7)	34,100	33,100
		Acquisition of Equipment and Furnishings..... (9)	35,400	35,600
		Sundries..... (12)	1,000	1,300
			1,670,400	1,610,200
		Expenditure		
		1965-66..... \$ 1,354,705		
		1966-67..... 1,507,577		
		1967-68 (estimated)..... 1,580,200		
		Total, Vote 20.....	8,478,500	7,948,700
		Expenditure Revenue		
		1965-66..... \$ 6,684,197 \$1,811,176		
		1966-67..... 7,513,578 2,219,881		
		1967-68 (estimated)..... 7,878,800 2,314,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Animal and Animal Products (Continued)		
		Vote 25—Grants, Contributions and Subsidies in the amounts and subject to the terms specified in the sub-vote titles listed in the Details of the Estimates		
		DAIRY PRODUCTS DIVISION—CANADA'S FEE FOR MEMBERSHIP IN THE INTERNATIONAL DAIRY FEDERATION.....(10)	1,600	1,600
		Expenditure		
		1965-66.....\$ 1,310		
		1966-67.....1,516		
		1967-68 (estimated).....1,500		
		DAIRY PRODUCTS DIVISION—GRANTS AND OTHER ASSISTANCE IN ACCORDANCE WITH THE CHEESE AND CHEESE FACTORY IMPROVEMENT ACT		
		Subsidies for construction and reconstruction of cheese factories, improving cheese maturing facilities in cheese factories and the standardization of cheese pressing equipment.....(10)	100,000	107,000
		Premiums on high quality cheese.....(10)	50,000	1,642,000
			150,000	1,749,000
		Expenditure		
		1965-66.....\$ 1,711,564		
		1966-67.....1,600,953		
		1967-68 (estimated).....1,636,000		
		LIVESTOCK DIVISION—GRANTS TO AGRICULTURAL FAIRS, EXHIBITIONS AND MUSEUMS IN ACCORDANCE WITH REGULATIONS OF THE GOVERNOR IN COUNCIL; PAYMENTS PURSUANT TO AGREEMENTS IN FORCE ON MARCH 31, 1968, WITH EXHIBITIONS COVERING THE CONSTRUCTION OF BUILDINGS AND OTHER MAJOR UNDERTAKINGS; A GRANT OF \$50,000 TO THE ROYAL AGRICULTURAL WINTER FAIR, TORONTO, AND FREIGHT ASSISTANCE ON LIVESTOCK SHIPMENTS FOR EXHIBITION THEREAT		
		Grants to Class "A" and Class "B" Fairs.....	1,048,000	1,100,000
		Grants to Winter and Spring Fairs.....	170,000	170,000
		Grants to Special Fairs.....	37,000	37,000
		Grants to Agricultural Museums.....	12,000	12,000
		General—		
		Freight on livestock shipments to and from the Royal Agricultural Winter Fair, Toronto.....	35,000	30,000
		Building Grants—		
		Grants to Agricultural Fairs, Exhibitions and Museums for construction of buildings and other major undertakings.....	8,000	14,000
		(10)	1,310,000	1,363,000

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Animal and Animal Products (Continued)		
		Vote 25 (Continued)		
		LIVESTOCK DIVISION—GRANTS TO (Continued)		
		Expenditure		
		1965-66..... \$ 963,061		
		1966-67..... 1,158,975		
		1967-68 (estimated)..... 1,250,000		
		LIVESTOCK DIVISION—GRANTS TO AGRICULTURAL ORGANIZATIONS AS DETAILED IN THE ESTIMATES		
		Canadian Seed Growers' Association.....	44,000	44,000
		Canadian Horticultural Council.....	8,400	8,400
		4-H Clubs organized in co-operation with Canadian Council on 4-H Clubs.....	148,000	145,200
		Canadian Council on 4-H Clubs.....	21,000	23,000
		Advanced Registry Board for Dairy Bulls.....	4,500	4,500
		Canadian National Livestock Records.....	50,000	50,000
		Canadian Hunter, Saddle and Light Horse Improvement Society.....	5,000	5,000
		British Columbia Beef Cattle Growers' Association...	900	900
		Canadian Council of Plowing Associations.....	5,000	5,000
		Federated Women's Institutes of Canada.....	10,000	10,000
		(10)	296,800	296,000
		Expenditure		
		1965-66..... \$ 282,607		
		1966-67..... 287,523		
		1967-68 (estimated)..... 293,000		
		LIVESTOCK DIVISION—PREMIUM WARRANTS FOR HIGH GRADE HOG CARCASSES AND FOR HIGH GRADE LAMB CARCASSES SUBJECT TO THE TERMS SPECIFIED IN AGRICULTURE VOTE 25, APPROPRIATION ACT NO. 10, 1964		
		Quality Premiums on High Grade Hog and Lamb Carcasses..... (10)	6,150,000	9,514,200
		Expenditure		
		1965-66..... \$ 8,649,601		
		1966-67..... 9,196,344		
		1967-68 (estimated)..... 10,364,000		
		Total, Vote 25.....	7,998,400	12,923,800
		Expenditure		
		1965-66..... \$ 11,606,833		
		1966-67..... 12,243,795		
		1967-68 (estimated)..... 13,544,500		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Plant and Plant Products		
		Vote 30—Administration, Operation and Maintenance		
		FRUIT AND VEGETABLE DIVISION INCLUDING MAPLE PRODUCTS AND HONEY—OPERATION AND MAINTENANCE		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1		(\$18,000–\$21,000)		
	1	(\$16,000–\$18,000)		
3	3	(\$14,000–\$16,000)		
4	4	(\$12,000–\$14,000)		
24	10	(\$10,000–\$12,000)		
17	31	(\$8,000–\$10,000)		
		Administrative and Foreign Service:		
1	1	(\$8,000–\$10,000)		
		Technical, Operational and Service:		
146	45	(\$6,000–\$8,000)		
29	128	(\$4,000–\$6,000)		
131	132	(Seasonal)		
		Administrative Support:		
4	4	(\$6,000–\$8,000)		
45	46	(\$4,000–\$6,000)		
9	9	(Under \$4,000)		
1	1	(Seasonal)		
415	415	Continuing Establishment.....	2,283,700	2,143,700
(394)	(393)	Casuals and Others.....	17,500	17,500
(4)	(5)			
(398)	(398)	Salaries and Wages.....(1)	2,301,200	2,161,200
		Overtime.....(1)	111,800	111,800
		Unemployment Insurance Contributions.....(1)		300
		Travelling and Removal Expenses.....(2)	178,000	172,900
		Freight, Express and Cartage.....(2)	3,000	3,000
		Postage.....(2)	4,500	4,500
		Telephones and Telegrams.....(2)	24,000	20,000
		Publication of Reports and other Material.....(3)	40,400	40,400
		Professional and Special Services.....(4)	6,000	6,000
		Rental of Buildings.....(5)	2,000	2,000
		Repairs and Upkeep of Buildings and Works.....(6)		500
		Repairs and Upkeep of Equipment.....(6)	9,000	9,000
		Municipal or Public Utility Services.....(7)		500
		Office Stationery, Supplies and Equipment.....(7)	15,000	15,000
		Other Materials and Supplies.....(7)	21,600	21,600
		Acquisition of Equipment and Furnishings.....(9)	29,000	37,300
		Sundries.....(12)	1,000	1,000
			2,746,500	2,607,000
		Expenditure Revenue		
		1965-66..... \$ 2,156,432 \$ 340,803		
		1966-67..... 2,457,423 337,000		
		1967-68(estimated)..... 2,649,000 396,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Plant and Plant Products (Continued)		
		Vote 30 (Continued)		
		PLANT PRODUCTS DIVISION—OPERATION AND MAINTENANCE INCLUDING SEEDS, FEEDS, FERTILIZERS, INSECTICIDES AND FUNGICIDES CONTROL		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1		(\$18,000-\$21,000)		
	1	(\$16,000-\$18,000)		
4	3	(\$14,000-\$16,000)		
11	11	(\$12,000-\$14,000)		
51	20	(\$10,000-\$12,000)		
35	67	(\$8,000-\$10,000)		
		Administrative and Foreign Service:		
6	1	(\$8,000-\$10,000)		
1	1	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
1	1	(\$14,000-\$16,000)		
2	1	(\$8,000-\$10,000)		
55	44	(\$6,000-\$8,000)		
137	141	(\$4,000-\$6,000)		
1	1	(Under \$4,000)		
5	9	(Seasonal)		
		Administrative Support:		
5	5	(\$6,000-\$8,000)		
56	60	(\$4,000-\$6,000)		
15	12	(Under \$4,000)		
1	2	(Seasonal)		
5	5	Prevailing Rate Positions:		
		(Full Time)		
392	385			
(389)	(380)	Continuing Establishment.....	2,229,000	2,174,200
(20)	(16)	Casuals and Others.....	100,000	59,800
(409)	(396)	Salaries and Wages.....(1)	2,329,000	2,234,000
		Overtime.....(1)	3,500	2,300
		Unemployment Insurance Contributions.....(1)	300	500
		Travelling and Removal Expenses.....(2)	120,500	113,700
		Freight, Express and Cartage.....(2)	6,000	6,000
		Postage.....(2)	10,000	6,500
		Telephones and Telegrams.....(2)	18,400	15,800
		Publication of Reports and other Material.....(3)	3,500	8,500
		Professional and Special Services.....(4)	34,200	56,400
		Rental of Buildings and Works.....(5)	4,500	4,500
		Repairs and Upkeep of Equipment and Furnishings..(6)	21,800	18,000
		Office Stationery, Supplies and Equipment.....(7)	64,300	49,600
		Other Materials and Supplies.....(7)	69,600	60,500
		Acquisition of Equipment and Furnishings.....(9)	149,800	109,000
		Sundries.....(12)	1,000	1,300
			2,836,400	2,686,600
		Expenditure Revenue		
		1965-66..... \$ 2,324,557 \$ 310,218		
		1966-67..... 2,548,360 304,748		
		1967-68 (estimated)..... 2,712,600 325,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Plant and Plant Products (Continued)		
		Vote 30 (Continued)		
		PLANT PROTECTION DIVISION—OPERATION AND MAINTENANCE		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1		(\$18,000-\$21,000)		
	1	(\$16,000-\$18,000)		
3	3	(\$14,000-\$16,000)		
8	8	(\$12,000-\$14,000)		
49	11	(\$10,000-\$12,000)		
55	92	(\$8,000-\$10,000)		
		Administrative and Foreign Service:		
1	1	(\$8,000-\$10,000)		
		Technical, Operational and Service:		
68	15	(\$6,000-\$8,000)		
21	71	(\$4,000-\$6,000)		
		Administrative Support:		
5	5	(\$6,000-\$8,000)		
38	39	(\$4,000-\$6,000)		
3	4	(Under \$4,000)		
252	250			
(252)	(250)	Continuing Establishment.....	1,689,300	1,697,300
(10)	(13)	Casuals and Others.....	51,500	55,700
(262)	(263)	Salaries and Wages.....(1)	1,740,800	1,753,000
		Overtime.....(1)	20,000	14,000
		Unemployment Insurance Contributions.....(1)	200	200
		Travelling and Removal Expenses.....(2)	153,300	138,000
		Freight, Express and Cartage.....(2)	3,400	2,400
		Postage.....(2)	2,000	2,000
		Telephones and Telegrams.....(2)	16,000	13,400
		Publication of Reports and other Material.....(3)	3,000	2,300
		Professional and Special Services.....(4)	80,000	21,800
		Rental of Buildings, Works and Land.....(5)	134,000	269,300
		Rental of Equipment and Furnishings.....(5)	25,800	21,500
		Repairs and Upkeep of Buildings and Works.....(6)	4,600	2,500
		Repairs and Upkeep of Equipment and Furnishings.....(6)	16,400	14,500
		Office Stationery, Supplies and Equipment.....(7)	24,000	28,000
		Other Materials and Supplies.....(7)	92,500	92,000
		Municipal or Public Utility Services.....(7)	7,500	4,000
		Construction or Acquisition of Buildings, Works and Land.....(8)	427,000	545,000
		Acquisition of Equipment and Furnishings.....(9)	59,000	53,000
		Sundries.....(12)	2,000	1,400
			2,811,500	2,978,300
		Expenditure		
		1965-66.....\$ 1,725,911		
		1966-67.....2,323,000		
		1967-68 (estimated).....2,548,300		
		Total, Vote 30.....	8,394,400	8,271,900
		Expenditure Revenue		
		1965-66.....\$ 6,206,900 \$ 651,021		
		1966-67.....7,328,783 641,748		
		1967-68 (estimated).....7,909,900 721,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		PRODUCTION AND MARKETING (Continued)		
		Plant and Plant Products (Continued)		
		Vote 35—Grants, Contributions and Subsidies as detailed in the Estimates		
		PLANT PROTECTION DIVISION—CONTRIBUTIONS TO THE PROVINCES OF ONTARIO AND QUEBEC IN ACCORDANCE WITH TERMS AND CONDITIONS PRESCRIBED BY THE GOVERNOR IN COUNCIL OF ONE-HALF THE AMOUNTS PAID BY THE PROVINCES FOR BARBERRY ERADICATION.....(10)	130,000	120,000
		Expenditure		
		1965-66.....\$ 98,953		
		1966-67.....109,418		
		1967-68 (estimated).....120,000		
		ITEMS NOT REQUIRED FOR 1968-69		
		Plant Products Division—Contributions to British Columbia, in accordance with terms and conditions prescribed by the Minister of Agriculture, of one-half of the aggregate of amounts paid by the Province to eligible tree fruit and grape producers, or in respect of such producers, as a result of vine, fruit tree and crop losses incurred by such producers during the period December 1, 1964 to November 30, 1965; and to authorize, in accordance with terms and conditions prescribed by the Minister of Agriculture, a contribution to the Province in respect of the administrative costs incurred in making such payments to producers.....		100,000
		Plant Products Division—Contributions to Quebec, in accordance with the terms and conditions prescribed by the Minister of Agriculture, of one-half of the freight charges paid by that province in respect of the emergency movement of hay in the period from the 9th day of January, 1967 to the 31st day of March, 1967.....		65,000
		Plant Protection Division—Compensation, pursuant to the Destructive Insect and Pest Act, in respect of any crop destroyed in accordance with that Act.....		32,000
		Plant Protection Division—Notwithstanding the Destructive Insect and Pest Act, to pay additional compensation to owners of any crop destroyed during the fiscal years 1965-66 and 1966-67 under the authority of that Act to combat the Golden Nematode on the basis of 50 per cent of the amounts paid or payable under that Act.....		16,000
		(10).....		213,000
		Total, Vote 35.....	130,000	333,000
		Expenditure		
		1965-66.....\$ 10,208,916		
		1966-67.....13,029,311		
		1967-68 (estimated).....417,800		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		HEALTH OF ANIMALS		
		Vote 40—Administration, Operation and Maintenance, including authority, notwithstanding the Financial Administration Act, to spend revenue received during the year from packers requiring special services		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1	1	Senior Officer 2 (\$18,500-\$23,500)		
2		Research Management, level 3 (\$18,211-\$21,330)		
9	1	(\$18,000-\$21,000)		
9	8	(\$16,000-\$18,000)		
26	31	(\$14,000-\$16,000)		
18	17	(\$12,000-\$14,000)		
331	324	(\$10,000-\$12,000)		
193	211	(\$8,000-\$10,000)		
1	1	(\$6,000-\$8,000)		
		Administrative and Foreign Service:		
1	1	(\$10,000-\$12,000)		
11	9	(\$8,000-\$10,000)		
1	2	(\$6,000-\$8,000)		
		Technical, Operational and Service:		
1		(\$12,000-\$14,000)		
1		(\$8,000-\$10,000)		
934	109	(\$6,000-\$8,000)		
121	885	(\$4,000-\$6,000)		
8	12	(Under \$4,000)		
9	4	(Part Time)		
1	1	(Seasonal)		
		Administrative Support:		
3	3	(\$6,000-\$8,000)		
164	165	(\$4,000-\$6,000)		
20	22	(Under \$4,000)		
47	43	(Part Time)		
		Prevailing Rate Positions:		
49	49	(Full Time)		
2	2	(Part Time)		
38	38	(Seasonal)		
2,001	1,939	Continuing Establishment.....	13,061,700	12,502,000
(1,961)	(1,904)	Casuals and Others.....	175,000	170,000
(41)	(41)			
(2,002)	(1,945)	Salaries and Wages.....(1)	13,236,700	12,672,000
		Overtime.....(1)	1,250,000	980,000
		Allowances.....(1)	11,500	11,500
		Unemployment Insurance Contributions.....(1)	3,300	3,300
		Travelling and Removal Expenses.....(2)	811,000	781,500
		Freight, Express and Cartage.....(2)	92,000	86,000
		Postage.....(2)	34,000	34,000
		Telephones and Telegrams.....(2)	110,000	79,400
		Publication of Reports and other Material.....(3)	6,200	8,200
		Professional and Special Services.....(4)	725,000	815,300
		Rental of Land, Buildings and Structures.....(5)	10,000	9,500
		Rental of Equipment.....(5)	15,000	14,700
		Repairs and Upkeep of Buildings and Works.....(6)	95,000	95,000
		Repairs and Upkeep of Equipment and Furnishings.....(6)	123,000	93,000
		Office Stationery, Supplies and Equipment.....(7)	145,000	100,000
		Other Materials and Supplies.....(7)	647,000	462,000
		Vaccine for Control of Brucellosis.....(7)	210,000	215,000
		Municipal or Public Utility Services.....(7)	15,000	14,300

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		HEALTH OF ANIMALS (Continued)		
		Vote 40 (Continued)		
		Construction or Acquisition of Buildings, Works and		
		Land.....(8)		145,000
		Acquisition of Equipment and Furnishings.....(9)	455,000	359,000
		Sundries.....(12)	9,000	8,500
			18,003,700	16,967,200
		Less—Amount recoverable from packers requiring special services.....(13)	1,003,300	840,000
			17,000,400	16,127,200
		Expenditure		
		1965-66.....\$ 13,859,621		
		1966-67.....15,272,378		
		1967-68 (estimated).....16,466,200		
		Vote 45—Grants, Contributions and Subsidies as detailed in the Estimates		
		COMPENSATION FOR ANIMALS SLAUGHTERED IN ACCORD- ANCE WITH THE TERMS OF THE ANIMAL CONTAGIOUS DISEASES ACT.....(10)	680,000	600,000
		Expenditure		
		1965-66.....\$ 995,464		
		1966-67.....662,819		
		1967-68 (estimated).....536,000		
		PAYMENT OF COMPENSATION AT THE RATES DETER- MINED IN THE MANNER PROVIDED BY SECTION 12 OF THE ANIMAL CONTAGIOUS DISEASES ACT, TO OWNERS OF ANIMALS AFFECTED WITH DISEASES COMING UNDER THAT ACT, THAT HAVE DIED OR HAVE BEEN SLAUGHTERED IN CIRCUMSTANCES NOT COVERED BY THE ACT AND REGULATIONS MADE THEREUNDER.....(10)	8,000	8,000
		Expenditure		
		1965-66.....\$ 3,743		
		1966-67.....5,812		
		1967-68 (estimated).....8,000		
		CONTRIBUTIONS TO THE PROVINCES, IN ACCORDANCE WITH REGULATIONS OF THE GOVERNOR IN COUNCIL, OF AMOUNTS NOT EXCEEDING TWO-FIFTHS OF THE AMOUNTS PAID BY THE PROVINCES TO OWNERS OF ANIMALS THAT HAVE DIED AS A RESULT OF RABIES..(10)	21,000	21,000
		Expenditure		
		1965-66.....\$ 45,500		
		1966-67.....34,999		
		1967-68 (estimated).....21,900		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		HEALTH OF ANIMALS (Continued)		
		Vote 45 (Continued)		
		PAYMENT OF INDEMNITY, UNDER TERMS AND CONDI- TIONS APPROVED BY THE GOVERNOR IN COUNCIL, TO OWNERS OF ANIMALS THAT HAVE DIED AS A RESULT OF ANTHRAX.....(10)	2,000	2,000
		Expenditure		
		1965-66..... \$ 4,955		
		1966-67..... 1,390		
		1967-68 (estimated)..... 4,600		
		CONTRIBUTION TOWARDS THE COST OF CONSTRUCTING AND EQUIPPING A VETERINARY COLLEGE AT THE UNIVERSITY OF SASKATCHEWAN, SASKATOON.....(10)	1,050,000	750,000
		Expenditure		
		1965-66..... \$ 80,341		
		1966-67..... 124,738		
		1967-68 (estimated)..... 1,394,000		
		CANADA'S FEE FOR MEMBERSHIP IN THE OFFICE INTER- NATIONAL DES ÉPIZOOTIES.....(10)	5,600	5,600
		Expenditure		
		1965-66..... \$ 4,972		
		1966-67..... 4,954		
		1967-68 (estimated)..... 5,600		
		Total, Vote 45.....	1,766,600	1,386,600
		Expenditure		
		1965-66..... \$ 1,134,975		
		1966-67..... 844,545		
		1967-68 (estimated)..... 1,970,100		
		BOARD OF GRAIN COMMISSIONERS		
		Statutory—Salaries of the Commissioners (Chap. 25, R.S., as amended)		
1	1	Chief Commissioner (\$22,000)		
2	2	Commissioner (\$19,500)		
3	3			
(3)	(3)	Salaries.....(1)	61,000	53,000
		Vote 50—Administration, Operation and Maintenance including Canada's fee for membership in the International Association of Cereal Chemistry and authority to purchase screenings		
		ADMINISTRATION		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1	1	Senior Officer 1 (\$16,500-\$21,250)		
4	4	(\$12,000-\$14,000)		
1	1	(\$10,000-\$12,000)		

Positions (man-years)		Details of Services	Amount	
1963-69	1967-68		1963-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		BOARD OF GRAIN COMMISSIONERS (Continued)		
		Vote 50 (Continued)		
		ADMINISTRATION (Continued)		
		Salaried Positions: (Continued)		
		Administrative and Foreign Service:		
1	1	(\$16,000-\$18,000)		
1	1	(\$12,000-\$14,000)		
2	1	(\$10,000-\$12,000)		
1	2	(\$8,000-\$10,000)		
1	1	(\$6,000-\$8,000)		
		Administrative Support:		
3	2	(\$6,000-\$8,000)		
12	11	(\$4,000-\$6,000)		
3	2	(Under \$4,000)		
30	27			
(30)	(27)			
		Salaries.....(1)	244,800	225,700
		Unemployment Insurance Contributions.....(1)	100	100
		Travelling and Removal Expenses.....(2)	36,500	33,000
		Freight, Express and Cartage.....(2)	300	300
		Postage.....(2)	1,200	1,000
		Telephones and Telegrams.....(2)	6,000	5,000
		Publication of Reports and other Material.....(3)	10,000	4,000
		Advertising and Publicity.....(3)	3,500	36,500
		Professional and Special Services.....(4)	1,000	800
		Rental of Buildings.....(5)	24,400	22,500
		Repairs and Upkeep of Equipment and Furnishings..(6)	1,200	1,200
		Office Stationery, Supplies and Equipment.....(7)	3,300	2,500
		Other Materials and Supplies.....(7)	600	500
		Light and Power.....(7)	1,300	1,200
		Sundries.....(12)	800	500
			335,000	334,800
		Expenditure		
		1965-66.....\$ 247,137		
		1966-67.....289,395		
		1967-68 (estimated).....348,000		
		INSPECTION AND WEIGHING OF GRAIN AND RELATED SERVICES		
		Salaried Positions:		
		Executive, Scientific and Professional:		
		(\$18,000-\$21,000)		
	4	(\$16,000-\$18,000)		
2	3	(\$14,000-\$16,000)		
2	2	(\$12,000-\$14,000)		
10	6	(\$10,000-\$12,000)		
2	6	(\$8,000-\$10,000)		
4	4	(\$6,000-\$8,000)		
		Administrative and Foreign Service:		
1	1	(\$16,000-\$18,000)		
4	4	(\$14,000-\$16,000)		
2	2	(\$12,000-\$14,000)		
4	5	(\$8,000-\$10,000)		
2	2	(\$6,000-\$8,000)		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		BOARD OF GRAIN COMMISSIONERS (Continued)		
		Vote 50 (Continued)		
		INSPECTION AND WEIGHING OF GRAIN AND RELATED SERVICES (Continued)		
		Salaried Positions: (Continued)		
		Technical, Operational and Service:		
2	2	(\$10,000-\$12,000)		
27	10	(\$8,000-\$10,000)		
269	165	(\$6,000-\$8,000)		
167	275	(\$4,000-\$6,000)		
248	242	(Seasonal)		
		Administrative Support:		
1		(\$8,000-\$10,000)		
9	9	(\$6,000-\$8,000)		
91	90	(\$4,000-\$6,000)		
18	23	(Under \$4,000)		
1		(Seasonal)		
2	2	Prevailing Rate Positions: (Seasonal)		
873	857			
(872)	(856)	Continuing Establishment.....	4,896,500	4,828,500
(15)	(15)	Casuals and Others.....	68,500	58,000
(887)	(871)	Salaries and Wages.....(1)	4,965,000	4,886,500
		Overtime.....(1)	500,300	425,000
		Allowances.....(1)	40,000	36,000
		Unemployment Insurance Contributions.....(1)	1,900	1,500
		Travelling and Removal Expenses.....(2)	230,000	180,000
		Freight, Express and Cartage.....(2)	36,900	33,000
		Postage.....(2)	13,000	11,500
		Telephones and Telegrams.....(2)	59,900	37,400
		Publication of Reports and other Material.....(3)	22,200	15,700
		Professional and Special Services.....(4)	9,900	8,700
		Rental of Buildings.....(5)	228,500	215,600
		Rental of Equipment and Furnishings.....(5)	38,900	22,600
		Repairs and Upkeep of Buildings and Works.....(6)	12,000	11,500
		Repairs and Upkeep of Equipment.....(6)	16,600	10,600
		Office Stationery, Supplies and Equipment.....(7)	63,000	154,500
		Other Materials and Supplies.....(7)	70,100	55,400
		Municipal or Public Utility Services.....(7)	21,700	19,500
		Membership in the International Association of Cereal Chemistry.....(10)	800	300
		Sundries.....(12)	4,600	4,800
			6,335,000	6,130,100
		Expenditure Revenue		
		1965-66.....\$ 5,259,536 \$4,715,660		
		1966-67.....5,583,381 6,056,000		
		1967-68 (estimated).....6,017,100 4,300,000		
		CANADIAN GOVERNMENT ELEVATORS—OPERATION AND MAINTENANCE INCLUDING AUTHORITY TO PURCHASE SCREENINGS		
		Salaried Positions:		
		Administrative and Foreign Service:		
1	1	(\$16,000-\$18,000)		
1		(\$10,000-\$12,000)		
1	1	(\$8,000-\$10,000)		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		BOARD OF GRAIN COMMISSIONERS (Continued)		
		Vote 50 (Continued)		
		CANADIAN GOVERNMENT ELEVATORS—OPERATION AND MAINTENANCE INCLUDING AUTHORITY TO PURCHASE SCREENINGS (Continued)		
		Salaried Positions: (Continued)		
		Technical, Operational and Service:		
6	5	(\$8,000–\$10,000)		
59	29	(\$6,000–\$8,000)		
71	100	(\$4,000–\$6,000)		
	3	(Under \$4,000)		
		Administrative Support:		
5	5	(\$6,000–\$8,000)		
13	14	(\$4,000–\$6,000)		
1		(Under \$4,000)		
158	158			
(158)	(158)	Continuing Establishment.....	960,500	880,000
(33)	(33)	Casuals and Others.....	190,000	175,000
(191)	(191)	Salaries and Wages.....(1)	1,150,500	1,055,000
		Overtime.....(1)	100,000	75,000
		Allowances.....(1)	6,000	4,800
		Unemployment Insurance Contributions.....(1)	4,000	3,000
		Travelling and Removal Expenses.....(2)	11,500	10,000
		Freight, Express and Cartage.....(2)	1,000	900
		Postage.....(2)	1,500	1,300
		Telephones, Telegrams and other Communication Services.....(2)	15,000	14,000
		Professional and Special Services.....(4)	500	500
		Rental of Land, Buildings and Works.....(5)	7,000	7,000
		Repairs and Upkeep of Buildings and Works.....(6)	231,500	147,300
		Repairs and Upkeep of Equipment.....(6)	3,000	2,000
		Office Stationery, Supplies and Equipment.....(7)	3,000	2,500
		Other Materials and Supplies.....(7)	40,000	30,000
		Public Utility Services.....(7)	460,500	280,000
		Purchase of Screenings.....(7)	70,000	22,000
		Sundries.....(12)	9,000	8,000
			2,114,000	1,663,300
		Expenditure Revenue		
		1965-66.....\$ 1,585,552 \$1,566,150		
		1966-67.....1,791,018 1,314,000		
		1967-68 (estimated).....1,763,100 1,500,000		
		Total, Vote 50.....	8,784,000	8,128,200
		Expenditure Revenue		
		1965-66.....\$ 7,092,225 \$6,281,810		
		1966-67.....7,663,794 7,370,000		
		1967-68 (estimated).....8,128,200 5,800,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		A—DEPARTMENT (Continued)		
		BOARD OF GRAIN COMMISSIONERS (Continued)		
		Vote 51—Construction or Acquisition of Buildings Works, Land and Equipment		
		ADMINISTRATION		
		Construction or Acquisition of Equipment and Fur- nishings.....(9)	2,000	17,000
		Expenditure		
		1965-66.....\$ 194		
		1966-67.....369		
		1967-68 (estimated).....17,000		
		INSPECTION AND WEIGHING OF GRAIN		
		Construction or Acquisition of Equipment and Fur- nishings.....(9)	135,000	150,000
		Expenditure		
		1965-66.....\$ 92,369		
		1966-67.....81,508		
		1967-68 (estimated).....150,000		
		CANADIAN GOVERNMENT ELEVATORS		
		Construction or Acquisition of Buildings, Works and Land.....(8)	1,350,000	2,085,000
		Construction or Acquisition of Equipment and Furnishings.....(9)	15,000	15,000
			1,365,000	2,100,000
		Expenditure		
		1965-66.....\$ 98,866		
		1966-67.....8,399		
		1967-68 (estimated).....1,390,000		
		Total, Vote 51.....	1,502,000	2,267,000
		Expenditure		
		1965-66.....\$ 191,429		
		1966-67.....90,276		
		1967-68 (estimated).....1,557,000		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		B—CANADIAN DAIRY COMMISSION		
		Vote 55—Administration, Operation and Maintenance		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1	1	Chairman (\$27,000)		
1	1	Vice-Chairman (\$23,000)		
1	1	Member (\$23,000)		
1		Senior Officer 2 (\$18,500-\$23,500)		
1		(\$14,000-\$16,000)		
1		(\$8,000-\$10,000)		
	1	Administrative and Foreign Service:		
1		(\$14,000-\$16,000)		
1	2	(\$12,000-\$14,000)		
2		(\$10,000-\$12,000)		
		(\$8,000-\$10,000)		
	1	Administrative Support:		
2		(\$8,000-\$10,000)		
9	5	(\$6,000-\$8,000)		
5		(\$4,000-\$6,000)		
		(Under \$4,000)		
26	12			
(26)	(12)			
		Salaries.....(1)	228,500	151,500
		Overtime.....(1)	500	500
		Pensions, Superannuation and other Benefits in Consideration of Personal Services.....(1)	10,000	
		Travelling and Removal Expenses.....(2)	15,000	20,000
		Freight, Express and Cartage.....(2)	1,000	500
		Telephones and Telegrams.....(2)	5,000	2,200
		Postage.....(2)	5,000	
		Professional and Special Services.....(4)		2,000
		Expenses of Farmer and Dairy Industry Consultative Committee.....(4)	11,000	16,000
		Rental of Office Space.....(5)	18,000	11,000
		Office Stationery, Supplies and Equipment.....(7)	8,000	5,000
		Acquisition of Equipment and Furnishings.....(9)	1,000	
			303,000	208,700
		Expenditure		
		1965-66.....\$.....		
		1966-67.....37,813		
		1967-68 (estimated).....256,700		

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		C—CANADIAN LIVESTOCK FEED BOARD		
		Approximate Value of Major Services not included in these Estimates		
		Accommodation (provided by the Department of Public Works).....	20,000	
		Accounting and cheque issue services (Comptroller of the Treasury).....	50,000	
		Contributions to Superannuation Account (Treasury Board).....	3,600	
		Contributions to Canada Pension Plan Account and Quebec Pension Plan Account (Treasury Board)...	200	
		Employee surgical-medical insurance premiums (Treas- ury Board).....	100	
		Employee compensation payments (Department of Labour).....	100	
			74,000	
		Vote 60—Administration, Operation and Main- tenance		
		Salaried Positions:		
		Executive, Scientific and Professional:		
1	1	Chairman (\$24,750)		
1	1	(\$18,000-\$21,000)		
1		(\$16,000-\$18,000)		
3	2	(\$14,000-\$16,000)		
1		(\$12,000-\$14,000)		
3	2	(\$8,000-\$10,000)		
		Administrative Support:		
1	1	(\$6,000-\$8,000)		
5	1	(\$4,000-\$6,000)		
1	1	(Under \$4,000)		
17	9			
(17)	(9)	Continuing Establishment.....	195,000	109,500
(1)		Casuals and Others.....	1,000	
(18)	(9)	Salaries and Wages.....(1)	196,000	109,500
		Pensions and Other Benefits.....(1)	12,300	
		Travelling and Removal Expenses.....(2)	25,000	12,000
		Freight, Express and Cartage.....(2)	100	100
		Postage.....(2)	500	500
		Telephones and Telegrams.....(2)	6,000	4,000
		Publication of Reports and Other Material.....(3)	2,500	2,000
		Advertising and Publicity.....(3)	10,500	1,500
		Professional and Special Services.....(4)	22,000	2,000
		Repairs and Upkeep.....(6)	2,000	
		Materials and Supplies.....(7)	12,500	
		Equipment and Furnishings.....(9)	5,000	18,400
		Expenses of the Canadian Livestock Feed Board		
		Advisory Committee.....(12)	6,400	5,500
		Sundries.....(12)	1,000	500
			301,800	156,000

Positions (man-years)		Details of Services	Amount	
1968-69	1967-68		1968-69	1967-68
			\$	\$
		C—CANADIAN LIVESTOCK FEED BOARD (Continued)		
		Vote 65—Freight assistance on Western Feed Grains including assistance in respect of grain storage costs in accordance with the terms and conditions prescribed by the Governor in Council..... (10)	21,600,000	22,000,000
		Expenditure		
		1965-66..... \$ 20,989,594		
		1966-67..... 20,415,022		
		1967-68 (estimated)..... 21,000,000		
		D—FARM CREDIT CORPORATION		
		Vote 70—Estimated amount required to provide for the operating loss of the Farm Credit Corporation for the fiscal year ending March 31, 1969..... (10)	6,000,000	3,900,000
		Expenditure		
		1965-66..... \$ 1,029,998		
		1966-67..... 2,578,741		
		1967-68 (estimated)..... 3,900,000		

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament

1968

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

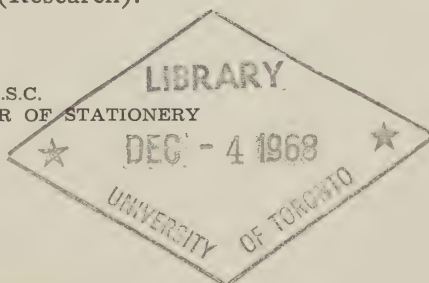
TUESDAY, OCTOBER 29, 1968

Revised Main Estimates (1968-69) relating to Agriculture

WITNESSES:

The Hon. H. A. Olson, Minister of Agriculture; *and from the Department of Agriculture:* Mr. S. B. Williams, Deputy Minister, and Dr. J. C. Woodward, Assistant Deputy Minister (Research).

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968



STANDING COMMITTEE

ON
AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard

Messrs.

Barrett,
Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas,
Foster,
Gauthier,
Gleave,
Horner,

Howard (*Okanagan
Boundary*),
Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lefebvre,
Lind,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),

Peters,
Pringle,
Roy (*Laval*),
Smith (*Saint-Jean*),
Southam,
Stewart (*Okanagan-
Kootenay*),
Thomson (*Battleford-
Kindersley*),
Whicher,
¹Yanakis—(30)

Michael A. Measures,
Clerk of the Committee.

¹ Replaced Mr. Major on October 23, 1968.

ORDER OF REFERENCE

WEDNESDAY, October 23, 1968.

Ordered,—That the name of Mr. Yanakis be substituted for that of Mr. Major on the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

TUESDAY, October 29, 1968.

(2)

The Standing Committee on Agriculture met at 9:40 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas, Foster, Gauthier, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, La Salle, Lefebvre, Lessard (*Lac-Saint-Jean*), Lind, McKinley, Moore (*Wetaskiwin*), Muir, (*Lisgar*), Peters, Pringle, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*) —(25).

In attendance: The Honourable H. A. Olson, Minister of Agriculture; and from the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; Dr. J. C. Woodward, Assistant Deputy Minister (Research); Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing); Dr. R. P. Poirier, Assistant Deputy Minister (Economics); Mr. C. B. Grier, Director, Financial and Administration Branch.

The Chairman reported that members of the Sub-Committee on Agenda and Procedure, other than himself and the Vice-Chairman, had been appointed as follows: Messrs. Danforth, Gauthier, Gleave, Pringle.

The Chairman welcomed the Minister and called item 1 of the 1968-69 Revised Estimates relating to Agriculture, namely

Departmental Administration, etc.\$8,520,375.

The Minister introduced those others in attendance and gave an opening statement.

The Minister was questioned, assisted by Mr. Williams and Dr. Woodward.

From time to time during the questioning, matters of interest to the members were discussed.

It was agreed that the Committee would adjourn at 11:30 a.m. this day.

The questioning continued and having been completed, the Chairman thanked the Minister for his attendance.

It was agreed that item 1 would stand.

Copies of an organization chart of the Department of Agriculture were distributed to the members.

At 11:40 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday, October 29, 1968.

The Chairman: Gentlemen, if we can come to order we will start the meeting.

Before we do I would like to announce the names of members of the subcommittee on Agenda and Procedure. In appointing these people we have tried to be as broadly representative as possible. Mr. Pringle from British Columbia will represent the Liberal Party on the Steering Committee.

We are particularly happy to have the Minister with us this morning. Mr. Olson, we are grateful to you for coming and also for bringing with you a number of your departmental officials.

The first item of business, of course, is Item 1, the Estimates of the Department of Agriculture.

On Item 1.

1 Departmental Administration including the Canadian Agricultural Services Co-ordinating Committee, contributions to the Commonwealth Agricultural Bureaux, and a contribution to the Agricultural Economics Research Council in an amount equal to one-half the contributions to the Council from other sources during the fiscal year but not exceeding \$50,000 \$8,520,375

The Chairman: We would be honoured, sir, if you would make an opening statement to the Committee, which would be a guidance for us as we continue our deliberations in the weeks to come.

• 0940

Hon. H. A. Olson (Minister of Agriculture): Thank you very much, Mr. Chairman. I want to say at the outset that I appreciate having received an invitation from you on behalf of the Committee to appear before the Standing Committee on Agriculture this morning to begin the examination of the 1968-69 estimates.

With your permission, Mr. Chairman, I will introduce the officials from the Department who are here with us this morning, particu-

larly for the benefit of the new members of the House of Commons.

On my immediate right is Mr. S. B. Williams, the Deputy Minister of Agriculture. Next is Mr. C. B. Grier, the Director, Financial and Administration Branch. Next to him is Dr. J. C. Woodward, Assistant Deputy Minister (Research) and next to him is Dr. R. P. Poirier, Assistant Deputy Minister (Economics) and then Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing).

I would like to make a statement. It will probably take me 10 to 15 minutes. After that I will be prepared to try to answer any questions. May I also say at the outset that the gentlemen who are with me today are the senior officials in the Department of Agriculture. However, from time to time, as we go through the estimates, we are prepared to ask other officials to meet with the Committee on specific items that may come up for examination as we go through the votes of the Department.

I would also say that I would like to be here as much of the time as is possible. However, I am afraid I cannot give an undertaking to be here for every meeting. I have other duties, such as attending Cabinet meetings, which require my attention, too.

The 1968-69 Main Estimates for the Department of Agriculture proper, excluding the Canadian Dairy Commission, the Farm Credit Corporation and the Canadian Livestock Feed Board, total \$225.8 million compared with the corresponding Main Estimates figure of \$221.1 million for 1967-68 as presented in the Blue Book, an apparent increase of some \$34.7 million. However, to improve the basis of comparison, I point out that Supplementary Estimates an contingency allocations in 1967-68 brought the total for that year to approximately \$283.6 million. Government reorganization which in the current fiscal year transferred PFRA, Retail Inspection Services and certain elements of administrative support out of the Department of Agriculture, is reflected in a reduction of approximately \$25.4

million from the base Estimates for 1967-68. The Canadian Dairy Commission and the Farm Credit Corporation, now shown separately, accounted for \$4.1 million in 1967-68 and should be deducted. Therefore, the comparative total for 1967-68 is \$254.1 million and the current year increase approximately \$1.7 million.

Increased provision is made in the current year for the Agricultural Stabilisation program and the expenditures for crop insurance premiums will continue to increase as more provincial schemes come into operation under this legislation and more farmers obtain basic protection from the risk of crop and income loss. Reduction has taken place mainly in the area of payments to provinces under the shared-cost programs of emergency assistance to farmers who suffered income losses due to adverse weather conditions. Hog premiums are reduced, cheese premiums eliminated and capital programs in the Research Branch and the Board of Grain Commissioners have received lesser allocations.

• 0945

The Department of Agriculture has responsibilities in all aspects of the industry, as evidenced by some thirty statutes administered by the Department. Under the authority of these acts, the Department conducts research, grades and inspects farm products, prevents and controls diseases and pests of crops and livestock, conserves soil and water resources and carries on a great many other activities to help solve production and marketing problems for the farmer. To perform these numerous functions, the Department employs approximately 9,000 people, of whom about 2,000 are professionally trained in agriculture or related sciences. It operates some 200 separate establishments with a total of 1.5 million acres of land and more than 2,500 laboratory, farm and office buildings. Late in 1966-67, the several Branches and Divisions of the Department's Administrative Headquarters at Ottawa were brought together, with the opening of the new Sir John Carling Building at the Central Experimental Farm.

Objectives

The Department continues to address itself to economic, technical and social improvement in the farm sector, having designed programs which aim to increase the level and stability of farm income, and to provide

farmers with the opportunity for returns comparable to other sectors of the economy for comparable investment of capital and effort. In the field of agricultural production it fosters improvement in quality of farm products and helps the industry as a whole (suppliers, producers, processors and distributors) to improve quality, quantity and efficiency of food production. Increasing efforts are made to ensure maintenance of present markets and to stimulate the development of new markets both at home and abroad for the products of Canadian Agriculture. In a world of continual change, the Department strives to facilitate the adjustments which must be made by farmers in improving the structure of agriculture, in making technological advances, safeguarding the productivity of agricultural resources and ensuring the optimum use of land, water and manpower. The achievement of these objectives depends upon the leadership of the federal government to stimulate effective planning at all levels of the industry, maintain a continuous review of Canadian farm policies and develop the agricultural potential of Canada as an integral part of the national economy.

Programs

The Department's operations are framed in several major program areas: Administration, Research, Production and Marketing, Health of Animals, and the Board of Grain Commissioners, in addition to the activities on the special agencies: and they are the Farm Credit Corporation, the Canadian Livestock Feed Board and the Canadian Dairy Commission, to which it is assumed this Committee will devote attention in the course of the Main Estimates discussions.

• 0950

In the Administration Program, the Economics Branch research and analytical activities make a significant contribution to the formulation of policy toward the achievement of greater efficiency in farm management, production and marketing. Without indulging in a detailed analysis of the Economics Branch program, I would draw particular attention to the development of a *National Farm Management Service* which I believe will bring substantial benefits to agriculture. Farm management involves the use of economic and business principles in determining the combination of land, labour and capital inputs on the individual farm

which will yield maximum income. It is therefore a key-factor in achieving the government's declared objective of raising the income of farmers to compare with that of urban workers. Technological research has produced a vast array of alternative production techniques the economic feasibility of which depends on soil type and fertility, farm size, management skills and availability of markets at remunerative prices. Farm management research assesses these factors through business studies to determine the most profitable practices and organization for farms of certain types or recommend alternative combinations of enterprises and farm practices. In the development of a National Farm Management Service, which is expected to expend some \$250,000 in the current fiscal year and to commence actual operations in 1969 or early 1970, the main emphasis has been on the implementation of a modern yet simplified record keeping and analysis system through the use of the computer. Such a system will not only permit farmers to keep more accurate records for such purposes as income tax, unemployment insurance, workmen's compensation and pension plans but, more important it will encourage a more sophisticated approach to farm business management, show profitability of enterprises within a farm business and identify, diagnose and solve some management problems for individual farmers.

I have spoken of the government's purpose in making a comprehensive assessment of agriculture in Canada with particular reference to farm income and productivity and the development of long range goals and policies for the industry. To this end, an *Economic Task Force*, established late in 1967 under the Chairmanship of Dr. David L. MacFarlane, is making excellent progress with its work under the following terms of reference:

1. The Task force will make a comprehensive assessment of Canadian agriculture in terms of its contribution toward the achievement of national goals. Particular recognition will be given to the income and welfare of farmers. In the above work, concern will be with the productivity of the agricultural industry in the context of the adjustments to new technology and maintaining the industry in a strong competitive position in domestic and international markets.

2. It will study and make recommendations concerning agricultural policies

required to achieve long range national and agricultural goals, taking account of the interests of farmers and consumers.

3. To accomplish the above objectives, the Task Force will use existing research results and conduct a series of other research projects.

In addition to the co-ordination and independent research of the five Task Force Members, the Force has some 20 research projects under contract with the consulting organizations and institutions and has met for consultations with the Ministers of Agriculture for all provinces, the Canadian Federation of Agriculture, National Farmers Union, Canadian Agricultural Economics Society, the Union Catholique des Cultivateurs and many other farm and industry agencies and representatives. The preliminary report of the Task Force, to be presented late in 1968 will be the basis of the documentation for a *National Conference on Agriculture* which we hope will be convened in the spring of 1969, perhaps in March; but the exact dates has not been set down as yet. This conference, although convened and directed under the aegis of the Federal Department, will be held in full collaboration with the Provincial Ministers of Agriculture and with participation by national organizations and other representative associations to whom the formation of long range agricultural policy is of vital interest. It is hoped that this meeting, together with the final report of the Task Force, will contribute to establish agricultural goals and directions which over a period of years will serve to integrate agriculture as an equal partner with other important sectors of the Canadian economy and which will serve as a framework within which governments at all levels, agricultural organizations, and all other segments of the agricultural community may develop policies and programs.

• 0955

Experts generally agree that one of the greatest potential problems facing mankind to-day is the world shortage of food and, as a major food source, agriculture must bear most of the burden of increasing food production. Canada is a food surplus country and is one of the world's major suppliers of the food-deficient areas. Canadian products such as wheat, potatoes, dairy products, dairy cattle, swine, poultry, beef and pork products have gained world recognition. The Canadian

economy leans heavily on the export of these commodities, and quality must not only be maintained but constantly improved if this leadership is to continue. These goals can be met on-a continuing basis if the industry is supported by an energetic and responsible research program, but the rising unit cost of essential inputs is also a major limiting factor.

Since 1961, research operating expenses have risen some 36%. Similarly, the combination of technical inputs and unit cost increase in scientific equipment and laboratory buildings has forced capital expenditures upward in recent years.

The objectives of the Production and Marketing program are the provision of quality controls in major items purchased by farmers, information and assistance on production, inspection and/or grading of agricultural products, protection against the dissemination of plant diseases, information and assistance on the marketing of agricultural products and forms of assistance and protection against crop failure.

A significant part of the Production and Marketing Program is carried out under the Agricultural Stabilization Act which operates to stabilize the prices of agricultural products to assist the agriculture industry in realizing fair returns for labour and management and investment. Funds provided in the 1968-69 Estimates for this purpose total \$144.5 million as compared with \$139.7 million in 1967-68 including Supplementary Estimates. Of that total—that is of \$144.5—\$134.8 million is allocated to the Canadian Dairy Commission for the purpose of stabilizing the price of dairy products, in particular butter and manufactured milk.

Also in the area of the farm income maintenance is protection for the farmer against crop loss risks. This protection is provided under the Crop Insurance and the Prairie Farm Assistance Acts. An amount of \$4.7 million is included in the Estimates to cover the contributions by Canada to federal-provincial crop insurance schemes in the provinces of Alberta, Saskatchewan, Manitoba, Ontario, British Columbia and Prince Edward Island. In addition, under P.F.A.A. direct payments are made to farmers operating farms in areas where average wheat yields drop below specified levels. In the 28-year period ending July 31, 1967, farmers were paid a total of \$361 million or an average of some \$13 million per year over the

period. In the same period farmers, through a one per cent levy on grain sales, contributed to the cost of the program which is operated through the Prairie Farm Emergency Fund, a total of approximately \$186 million, or an average of \$6.6 million per year. Net costs per year for the 28-year period have therefore been \$6.4 million. It is expected that a heavy demand, currently estimated at something around \$22 million, will be placed on this Fund this year resulting from the very unfavourable prairie crop harvesting conditions.

We shall be discussing the Estimates of the Board of Grain Commissioners and the Canadian Government Elevators as they pertain to inspection, weighing, handling and storage of grain. In this regard, I am pleased to advise that construction of a new one-million bushel annex to the Prince Rupert elevator has been completed, providing facilities by which the flow of grain through this port can be handled with greater speed and efficiency.

• 1000

In the field of grain policy, members are no doubt aware of the Prime Minister's recent announcement of the Government's action toward the establishment of a National Grains Council. Very productive discussions on terms of reference and other related matters were held in Winnipeg on October 16 and I place strong confidence in the proposed Council as an agency which can improve co-ordination in the developing and operating programs, to promote research in all aspects of the grain and livestock industries, to establish effective liaison between industry and government, and to assist in the promotion of exports. These and other ways will bring into focus the consensus of the complex industry as a whole, and we hope it will ensure the best co-ordinated effort not only to improve Canada's share of world markets but also to explore and develop all avenues of effective utilization of our national grain supply.

Gentlemen, that completes some of the details that I wanted to make in the opening statement. I want to say also before we turn the meeting back to you, for questions, Mr. Chairman, that there are no doubt a number of other immediate problems facing Canadian agriculture of which we are all aware. We know that we are now in the stage of bringing to fruition some of the negotiations that

went on several months ago in our international relations with our neighbours. This has caused us much concern over the years with respect to marketing agricultural products, but we hope that we have made some progress recently in this area, and while it is certainly not perfect at the moment I think we should take advantage of the progress we have made and try to move on to a greater co-ordination of marketing the total agricultural supply within the Western world. Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Minister. We are grateful to you for coming to our meeting this morning and for the very comprehensive statement you have given to the Committee. In spite of the fact that it is quite comprehensive, I am sure there will be a number of questions, and perhaps there will be more questions because it has been comprehensive. We also appreciate very much your willingness to attend our meetings when time permits, and may I say that I am sure you will be more than welcome at any time and all the time if that is convenient.

The Minister has graciously consented to be available this morning for questioning. I have three gentlemen who have indicated that they wish to have their names put down. If you will please indicate to me that you wish to speak—and not all at once—I shall try to recognize you in order.

I recognize Mr. Danforth from Kent-Essex.

Mr. Danforth: Mr. Chairman, this is the first meeting of the Standing Committee on Agriculture, other than the organization meeting, of a new Parliament and we have just heard the statement of the Minister of Agriculture who outlined, of necessity rather briefly, the scope of the Department over which he is now the Minister, its aims and objects for the next year, and an indication of the expenditures required to administer that Department.

I hope you will permit me, Mr. Chairman, to make just a brief statement at this time on behalf of the party I have the honour to represent, because of the fact that agriculture does seem to be facing a stage in its evolution that is somewhat drastic financially. Many farmers are finding the trials of making a living under these circumstances very difficult indeed.

• 1005

I want to make my remarks more or less of a general nature to some degree but very specific in others. Now, in this crucial time in agriculture, I think the Standing Committee on Agriculture in its studies, in its deliberations and its recommendations to government, can play a most important role as representing the feelings, the suggestions and the problems of agriculture to government.

I must say that we in the Conservative Party are very pleased indeed with the total composition of the membership of the Committee because we are of the considered opinion that every man here is conscious of his obligations not only to the farming community he represents, but to the industry on a national basis.

I should like, if I may, to make personal remarks in regard to the Chairman and the Vice-Chairman. The Chairman I have been privileged to know for a great many years, and I have the greatest admiration and respect not only for his direct knowledge in all fields of agriculture, but for his personal interest in the problems of agriculture and his personal desire to do something about it.

The same, I believe, holds true for the Vice-Chairman, so I say to this meeting, Mr. Chairman, let us make a determined effort to see if we can keep as far away from partisan considerations as possible; that whenever any member feels that there are, or could be, transgressions in this particular field, it be referred to the steering committee so that these matters might be settled outside the committee room itself.

I hope, through the Minister, Mr. Chairman, that permission will be given to the distinguished representatives of the Department of Agriculture to speak freely and openly without curtailment in any way, for it is only through this means that we will be able to obtain the necessary information on which to base our conclusions.

I hope that the Minister will find it possible to make available many more from the Department of Agriculture than the committees have seen in the past because I think it serves a most useful purpose, not just to question these learned gentlemen, but to enable us, as Committee members, to know these gentlemen personally, to know the fields over which they have jurisdiction, so that we can obtain more readily the essential information

so far as our constituents are concerned, and work in closer harmony with them.

Now, the first suggestion I would like to make following the Minister's speech this morning is for the direct benefit of each of the Committee members. I am going to request, if it is at all possible, that each Committee member be provided—through you, Mr. Chairman—by the Government, with a graph setting out the construction of the Department of Agriculture, with the names of the men who are directly responsible for each of the departments. Although the Minister did in some degree in his opening remarks give an indication of the scope of the Department, its jurisdiction and the numbers of experimental stations, laboratory facilities and so on, I think it would be much clearer to us, as members if we did have this in a short concise form or in graphic form, whichever the Department could facilitate for our direct benefit.

• 1010

We in the Conservative Party, Mr. Chairman, in the consideration of these estimates, hope that we will be given the greatest leeway, not only to scrutinize the expenditures of the Department, but to have some indication from the government over the changes proposed in the set-up of the Department, both from an administrative standpoint and from a practical standpoint because every member here is aware that there have been, during the last two or three years, changes in responsibility and the shifting of various segments of the Agriculture Department to other departments of government.

I think it is only fitting, as we do represent the agricultural industry, that we be given the greatest detail about the proposed shifts and the reasons behind them in order that we might be satisfied that these are for the best interests of agriculture. We should like an indication of the government's policy in more detail and an opportunity to examine it to a great depth in what we consider specific fields that are very crucial at the present time.

We should like to go into the matter of research. The Minister has indicated that there are going to be some curtailments in capital expenditure on research. We should like to question the Minister on this in detail to satisfy ourselves that this is going to benefit the industry and discover what alternates the government might propose in this field.

Naturally we are most concerned about the marketing field because this is, of course, the lifeblood of the industry—the development of the markets, because if we cannot hold at least 30 per cent of the world market for our agriculture production, so far as our country is concerned we are in trouble. We all realize that.

So, Mr. Minister, I hope that through the Chairman I have indicated to you what we hope to accomplish in the sittings of this Committee and I assure you, Mr. Chairman, that we will, as a party, endeavour to keep our representation on the Committee at full strength because we do realize how important it is to have a quorum, especially when we are inviting from time to time members of the Department to take part in our deliberations.

We hope to make our questions direct and purposeful and we hope, working together with the other members of the Committee, that in this Parliament this Standing Committee on Agriculture will undertake its full share of responsibility on behalf of the agricultural industry.

The Chairman: Thank you, Mr. Danforth. I shall read the list of speakers in case I may have missed someone. I now have Mr. Muir, Mr. Horner, Mr. Douglas, Mr. Howard, Mr. Gleave, Mr. Clermont, Mr. Gauthier, Mr. Moore and Mr. Roy.

May I say that we have the Minister here of whom we may ask questions, and in order to provide him with an opportunity of answering them may I ask you to make your opening statements as brief and to the point as possible terminating, if possible, with a question so that we may be able to avail ourselves of the Minister's understanding of his Department to explain its workings to us. Now I recognize Mr. Muir (Lisgar).

• 1015

Mr. Muir (Lisgar): Mr. Chairman, before I start I should say that it is going to be very short, but I should like to join the member for Kent-Essex (Mr. Danforth) in telling the Minister that we are very pleased with the Chairman that we have. We think he is a man who will be fair and will handle the problems of the Committee in the way they should be handled. I should also like to welcome as our Vice-Chairman, Mr. Lessard.

Having said that, the Minister in his opening remarks touched on various problems with which I think the Committee will wish to deal over the next few weeks. I am going to keep to one question today. I notice the Minister placed a great deal of stress on the establishment of a farm business service and that a fairly large sum of money has been allocated for that purpose this year to initiate the program.

Now, the Minister will probably remember—I think it was back in 1957—that the University of Manitoba initiated, I believe, what was probably one of the first farm business programs in Canada—I may be corrected on that—and since that time several other farm management groups have been established in Manitoba.

I should like to ask the Minister how, under the federal farm management scheme, they intend to reach the farmer initially? Will it be done through regional offices, are they using this year to recruit the staff and how do they intend to set up a direct liaison with the farming community?

The Chairman: I think we should provide an opportunity for the Minister to comment after each speaker and then we will go on to the next question. Mr. Minister do you have a comment to make?

Mr. Olson: Well, I suppose I should respond to Mr. Danforth's question about making available organizational charts. We are prepared to do that. Obviously those that were printed some time ago are slightly out of date but we are prepared to bring them up to date. We have sent out for a supply of some that we already have and we will bring them up, but I am informed that these do not include the specific names of the personnel, but we also have that and you will get them.

We are looking at the other question concerning a chart or graph showing in graphic form the whole structure of the Department. I think it would not be too difficult to set this out.

Replying to Mr. Muir's question respecting the farm management service, I should inform him that we hope it will be integrated with the pilot projects—if you want to call them that—that have been started in Manitoba and in other provinces some time ago, but are now being developed under joint federal-provincial auspices and university as well. We want to be sure of the co-ordination.

The other part of the question was, how do we reach the farmers? We hope this can be done through the efforts of the provincial agricultural services because, as you well know, they have some men in the field. This would be part of their responsibility, although all these details are not worked out yet. As I mentioned there are \$250,000 in the estimates for this year to work out a comprehensive program that we hope will be operational, as I said, by late 1969 or 1970. However, a great deal of work has to go into this so that the mechanics of it do in fact provide the service we hope it will.

Mr. Muir (Lisgar): This is a short supplementary. Is it the purpose then to work through the provincial departments of agriculture or through the universities?

• 1020

Mr. Olson: Both.

Mr. Muir (Lisgar): Both.

Mr. Olson: But there is—I am not sure if you could call it extension service; it is not quite that but it is the direct contact...

Mr. Muir (Lisgar): It has to do with extension service.

Mr. Olson: Yes, the direct contact with the farmers to provide us with the information that we would need, to go into the various individual farm records and accounts if you like, would, we hope, be a service that the province could provide to our computer system. I think I am right in saying we will have the hardware, but the gathering of information and passing it back would be the responsibility of the provinces.

Mr. Muir (Lisgar): In other words you would not set up regional offices?

Mr. Williams: Well, maybe regional computer offices.

Mr. Muir (Lisgar): Regional computer offices.

Mr. Williams: Excuse me, sir, if I might interrupt. This point is not completely settled yet, but I think it is reasonable to assume there probably will be regional offices of some type. These may involve suboffices of the computer installation and pre-processing of certain documents that would be handled at a central data bank.

Mr. Muir (Lisgar): Thank you Mr. Chairman.

The Chairman: Gentlemen, may I remind you to speak into the microphone as much as possible when addressing your questions to the Minister. I now recognize Mr. Horner of Crowfoot.

Mr. Horner: I too, Mr. Chairman, would like to compliment you as the chosen chairman of this Committee. I know that you will be fair, and at times perhaps we will test you very fully but I know that you will do a very good job and I have no doubt and no hesitation in saying that I congratulate you on your being chosen Chairman.

I say to the Minister and to the Committee that my first disappointment is the reduction of members on this Committee down to 30. There used to be, not too many years ago, 60 members on this Committee, then membership was reduced to 45, now it is reduced to 30. We in the Conservative Party have, I think been shortchanged even out of that 30 down to 8. We should have got 9. We have had a difficult time in trying to reduce our members interested in agriculture down to 8 members, so throughout the study by the Committee do not be surprised if there are changes from time to time. We have to work in all members who are very interested in agriculture in their districts and areas, and all across Canada. That is the first point I attempt to make that this arbitrary figure of 30 was not necessarily a good one. It should have remained at least 45 or 40.

My second point is that I think it is the duty of the Committee to examine, if necessary to criticize, to spur on the Department to greater service, to greater work and greater concern for the people engaged in the agriculture industry. I say that not only for my party, the Conservative Party, or myself, but for every member here. I say to Mr. Williams, Mr. Grier, Dr. Woodward, Dr. Poirier and Mr. Jarvis, if at times we appear to be critical we are doing a job of examining your work and we hope in the net return you work a little harder and take a little greater concern for the people you are serving. We are not in any way engaged in any personal battles or anything like that at least from my point of view. However, I do think this is the prime purpose of examining the estimates of the Agriculture Department; it is not to merely check them over and say, "Well, there has not been a dollar misspent and the accounting

is fairly good". No, that is not the purpose as I see the Agriculture Committee. It is to examine, to criticize and to spur you on to greater service. I make that opening remark and then immediately point out that in the expenditures, for example, of the Health of Animals Branch there has yet to be devised a policy for the importation of Charolais cattle; who gets the permits, how they are awarded and so on. It has been turned into a millionaires racket and certainly in this Committee, Mr. Chairman, I think some time before we are through the estimates, we want the people before us who are in charge of granting these permits, of regulating the importation, and who brings cattle over; so we can thoroughly examine the whole policy.

While last year a policy of the three year waiting period for these cattle to remain in Canada was implemented it is a well-known fact that practically all the cattle will go or have already gone, to the United States. It is now very difficult to buy semen from some of the great Canadian bulls that were brought over from France. They are now in the United States. Semen now is very difficult to buy from these bulls which should have never been lost to Canada. While mistakes have been made in the past I believe it is not too late to halt this continual drain with a policy which was a good one to start with but which I believe we did not take full advantage of in the agricultural industry.

• 1025

Second, while I am speaking about cattle, the beef grading system is under a thorough examination. I would like to see, when we are into that particular item of the estimates, this Committee give serious study to the whole question of grading beef cattle, even, if necessary, touring the slaughter plant over at Hull, with government graders, to see how cattle are graded. There is a great deal of concern all across Canada about the grading system, and whether or not the packers are given the edge, or the farmers are given the edge, or just who is getting the benefit of it, and whether or not a fairer system could not be devised.

I can only say that I have deep regret that the PFRA was taken out of the Agriculture Department Mr. Minister. I know that perhaps you share that regret with me but cannot necessarily say so. I cannot let that pass. You mentioned it in your remarks, and I cannot let it pass. It is with deep regret that I

see it is gone. I certainly hope that in its passing from the Agriculture Department to the Department of Forestry and Rural Development, PFRA will continue to do an effective job of conservation of land and water on the Prairies. Certainly we will examine that in another committee.

The Task Force was set up over a year ago. I was interested in the Minister's remarks when he said it is going to report later this year. I think at some time during the study of the estimates we should have the Task Force before us, if possible, to fully examine their ideas.

Now the Minister and some of the Committee members might wonder about that remark. The Task Force, as I remember it, consists of basically university professors, and forgive me for saying this gentlemen, no real grass-roots farmers in the whole group. I have nothing against professors in any way, shape, or form, but I do have a great deal of respect for the practicality of a given policy and I believe that in the Agriculture Department this has to be kept in mind: whether or not the policy is practical and whether or not it will be used. As I say gentlemen, too many policies, too many programs, have been devised, too many research ideas have gone to waste in the past because they have not been sold to the farmers from a practical point of view. I know that many men in the Department must realize this too. They must say, "Well, why was not this good idea picked up?" Perhaps because it was not too applicable in the way it was approached from a practical point of view.

I might add that because of the Economic Council of Canada's report and the dismal picture they painted for agriculture it is also the Committee's duty to thoroughly examine the research aspect of grains. I do not believe, for example, that there has been enough study of the various strains of triticale. A couple of strains, or several strains were tried and they were found, a year ago, not to be too productive, not to be much better than wheat, or not to be much better than rye. Now this year more study is being done and an interesting strain is being developed which may be a heavy yielder of feed grain. But certainly the Economic Council of Canada pointed out very vividly that Canada has not kept pace with a lot of other countries. If we do our job in this Committee diligently we will have to examine the whole research aspect very closely.

The Minister mentioned the National Grains Council. My first question to him is: who is going to share the cost of this National Grains Council? Is it going to be the Eastern feed buyer, or the Western grain grower, or is it going to be the Department of Agriculture, or some other department in the government? While he held up great hopes for it, it is to me, another board that has to prove itself. From the preliminary evidence which I received from the studies done in Winnipeg, they did not know just where they were going or what they were going to do. They did not know how big a secretariat they were going to need, but they were going to hire people, and they were going to take taxpayers' dollars.

• 1030

I have firmly convinced myself that the taxpayers are aware of their dollars, and they want dollar for dollar service. So this is another board that is going to have to be thoroughly examined by this Committee, maybe at a future date after it is set up—but it will have to be examined very, very thoroughly to see whether or not it has a purpose; and whether or not its purpose is solely to bring about an understanding or an agreement between the Western farmer and the Canadian Wheat Board, whose duty is to sell their grain at the highest possible price, and the Canadian Livestock Feed Board, whose duty is to buy that grain at the lowest possible price. Is it the National Grains Council's duty to bring about an agreement between these two groups? I do not know, but certainly we will have to examine it.

I am going to end with the Canadian Dairy Commission. The Canadian Dairy Commission is another commission which has been set up and which has remodelled the whole dairy industry to quite a large extent. I can only say that I have some doubt about whether or not they were really concerned with the dairy farmer when they attempted to reduce the subsidy to the small farmer.

They attempted to bring about a reduction in the production of butter, and this year we are told we are, perhaps, going to have to import more butter again in the spring. To me there is no need for Canada to import butter; no need whatsoever. It may be that a diversion payment on milk from the cheese factories to the butter plants will have to be made, but there is no real need for Canada to import butter. If it is necessary for us to do

so then I place the blame on the Canadian Dairy Commission for failing to regulate that industry in such a way that enough cream is not diverted into butter production.

Their main job as I see it is to divert the production of the dairy industry into the commodities that can best serve the Canadian people. Surely there is enough cow's milk in Canada to supply us with butter, and if we are importing butter, then they have failed in some way or another. I can only say that categorically, without thorough examination. Therefore, I believe, that before this Committee is over, we will have to have the Canadian Dairy Commission before us and examine the problem I have pointed out.

In summary, I think we will have to examine very, very closely the Research Branch, the Health of Animals Branch which brings in the charolais cattle, the Canadian Dairy Commission and the Farm Credit Corporation. We were told the Farm Credit Corporation will come before the Department, but they can very well come before us when we study the estimates; when we go into the vote which deals with the Farm Credit Corporation. We will have to give it a thorough examination particularly because of the new legislation which perhaps tends to drift money away from the small farmer into the hands of the big corporate enterprises.

The Chairman: Thank you, Mr. Horner.

Mr. Olson: Well, I am not quite sure, Mr. Chairman, whether Mr. Horner wanted me to comment on his comments or whether he gave notice that he intended to ask some questions later. I am prepared to respond in either way that you wish, Mr. Chairman.

Mr. Horner: No, I just served notice of what I thought the Committee should be doing and what I particularly would be interested in during examination of the estimates.

Mr. Barrett: Did you ask for the meaning of the word "brief". Is that one of the questions that may have been answered?

• 1035

Mr. Horner: It is relativity that counts.

The Chairman: I am afraid your comment went by because you were not close to the microphone, Mr. Barrett. I recognize Mr. Douglas (Assiniboia).

Mr. Douglas: Thank you, Mr. Chairman. I will not be the first to congratulate you and the Vice Chairman on your election to this important work. The Committee will be well served by you and by the members of the steering committee whose names were announced this morning.

I want also to congratulate the Minister of Agriculture. Someone mentioned all the new people we had on the Committee, the Chairman and so on, and I think one of the most important new additions we have in agriculture, is the new Minister of Agriculture. I know he is very conversant with all kinds of agriculture in various parts of Canada, and I am sure that it augurs well for agriculture to have a man of his ability and calibre as our Minister of Agriculture.

I am going to take the opportunity of making a few comments and I will probably end up with a question. As we have the Minister here today, and he has mentioned something about policy my comments will have more to do with policy than with the estimates.

First of all, I would like to say that I think everyone will agree that markets are the most important requirement for all phases of agriculture in Canada, and particularly in Western Canada with the wheat and in Eastern Canada with the corn. There is a problem of quite large proportions right now, and I do hope that the Department of Agriculture will work very closely with the Department of Industry, Trade and Commerce in developing and maintaining good dependable markets for our farm products.

Along with markets, of course, price is a very important feature and they probably go pretty well hand in hand. If we have good markets, usually we soon have good prices; poor markets are accompanied by poor prices. I think these two go hand in hand and must be developed together.

There has been a lot of discussion about a two price system for wheat, and this is something I hope we can investigate further in this Committee. If not, certainly the appropriate agencies of government, the Department of Agriculture, or the Department of Trade and Commerce, will investigate its possibilities. It may be that the Task Force is doing this right now; I hope they are, because it is an urgent matter and it is something, I think, well within our control here in Canada, and something we could do without too much cost to the government, or to the taxpayers of Canada.

I am interested in this National Grains Council and I suggest, in setting up this Council, that adequate representation be given to producers and producers' organizations. I agree with one of the former speakers, that we need practical people on these committees and councils, and I hope that this will not be overlooked.

Now the Minister mentioned the world shortage of food. This is something that we have heard a lot of in the last few years, and farmers have built up their operations to sort of help overcome this projected world food shortage. At the present time either the forecasters were wrong or the farmers were over-enthusiastic in their response, but we have built up surpluses in many lines of agricultural products and I would like to suggest that we need research, not only in production of agricultural products but we certainly need research in markets with respect to not only the quantities but the kinds of products that are needed and can be sold.

Another thing that I think needs to be researched a little better is the weather forecasting in this country. We found in the West this year that the weather forecasts were very, very wide of the mark and it makes it a little more difficult for farmers who hope to put some reliance in these forecasts to find they are them leading them astray.

• 1040

The next thing I would like to mention is PFRA. I would like to associate myself with the speaker who said he thought that PFRA should be retained as an important part of our agricultural picture. I would have liked to have seen it stay with the Department of Agriculture too, but I do not think it really matters that much as long as it is administered by people who are concerned with the welfare of the farmers and that it is maintained and kept in useful service.

The Minister mentioned something about the port facilities at Prince Rupert. There has been a lot of talk about the new port facilities at Vancouver and I would hope that adequate steps are being taken to make sure that our agricultural products will be handled in a most efficient manner in this new Roberts Bank port, which I assume will eventually be used for agricultural products.

The last thing I want to mention is crop insurance. The Minister mentioned this in his remarks. I think crop insurance is a very important thing. I am just disappointed that

more farmers in Western Canada at least are not availing themselves of crop insurance. I do not know what the experience has been in Eastern Canada. In Manitoba, where all parts of the province are eligible for crop insurance, I believe that only a fraction of the farmers—I am not sure, around half I believe, or even less than half—avail themselves of crop insurance. The federal government does pay 25 per cent of the premium cost of crop insurance and they also pay half of the administration cost along with the provinces, which pay the other half. I think a very good case could be made for the federal government paying 50 per cent of the premium cost of crop insurance in one way or another to encourage more farmers to take advantage of this, and to protect them and the country against the disasters that we are facing in Western Canada at the present time as far as harvest is concerned. In many areas there are other disasters such as hail, drought, and so on. I think there is a very good case for greater participation by the federal government in this crop insurance scheme. Many employees in Canada, including the employees of the federal government, have many schemes available to them: unemployment insurance, the Canada Pension Plan and several other things to which their employers contribute half the cost. I think this is a very good case for the people of Canada contributing half the cost of crop insurance to the farmers. My question would be is the government or the Department considering any changes in the crop insurance program.

The Chairman: Thank you, Mr. Douglas.

Mr. Minister, I have one question. Is the Department considering any changes in the crop insurance program?

Mr. Olson: There are some changes going on. It is not so much in the over-all program as the fact that there are more and more provinces coming in. As I am sure Mr. Douglas is aware, Manitoba was one of the first provinces that embarked on a crop insurance scheme and this was in co-operation with the provinces. Since then there has been a steady increase in the number of provinces who have come on. We now have P.E.I., Ontario, Manitoba, Saskatchewan, Alberta, British Columbia and Quebec. I think on the basis of the experience that we gain, and certainly we do not yet have all the necessary knowledge

to say that we have a perfect or even a near perfect crop insurance scheme, that there will be changes from time to time, but if the question was specifically addressed to the point that was made, whether we are contemplating moving from 25 per cent to 50 per cent of the premium on crop insurance, I would have to say that that is not contemplated at this time. However, there are many changes that come in on the basis of the experience that we have for one year following the next. Crop insurance of necessity must apply differently to different commodities. For example, the same kind of system for wheat does not work for apples, and so on. I have some statistics here, if the members of the Committee would be interested in having me read them.

In Prince Edward Island this year we had 152 contracts. In Ontario there were 1,861. In Manitoba there were 14,469 contracts. Saskatchewan had 12,500. Alberta had 16,000. British Columbia had 701. We are not quite sure of the exact number, but there were about 20,000 in Quebec. That, of course, requires some additional explanation because there are parts of it that are outside the program.

• 1045

In any event, Mr. Chairman, there is a total coverage, including our estimate for Quebec, of \$188,166,000 for all of Canada. The premiums paid were \$12,493,000 and the total administrative costs were \$3.8 million.

Mr. Gleave: Can you break that down in percentages of farmers, or is it not broken down there?

Mr. Olson: No. For Manitoba, where I think crop insurance is now offered in all areas, about one half of the insurable farmers took it. I am not sure that we have figures for the other provinces, but we can get them for you.

Mr. Gleave: Would you do that?

Mr. Olson: Yes, we will try.

The Chairman: Thank you, Mr. Minister. Gentlemen, I am in the hands of the Committee. Our meeting was called for 9.30. I think you are to be complimented in turning up rather promptly this morning. I think if we meet for two hours and give of our best that that would probably not be a bad time to adjourn, but I am completely in your hands. Is it agreed that we will adjourn this meeting at 11.30?

Some hon. Members: Agreed.

The Chairman: All right. I will recognize Mr. Howard of Okanagan Boundary.

Mr. Howard (Okanagan Boundary): Thank you, Mr. Chairman. If I were asked what job in Canada I wanted the least I would say the job of the Minister of Agriculture in Canada. I feel that it must be one of the more difficult jobs that government people have to do. I have great admiration for the man that fills the job at the present time. I think he does an admirable job. The thing that worries me about our deliberations in this field of agriculture is that I wonder if we do not sometimes skirt the main issues. We examine all the details of the expenditures on research, on marketing, on subsidies and on all the programs there are in regard to agriculture, and yet underneath there is still a basic discontent among the farmers in Canada in that they feel they are not getting a fair share of the economy of the country. This concerns me very much because I talk to a great many farmers.

I also talk to city people, who say "What is the matter with the farmers? They never had it so good." They are all convinced that farmers spend the winter in the southern states enjoying the sunshine and that they must be making vast amounts of money. The farmer himself who is well aware of how much money he is making and how much difficulty he is having, is very resentful of the conditions that exist whereby he feels he is getting such a small share of the consumer dollar in Canada. He is well aware of the fact that his share of the consumer dollar is not increasing. In fact, that his percentage of the dollar is actually going down as others get more of the consumer dollar.

• 1050

At one time we had a free enterprise system in agriculture. We certainly do not have it today. The system is now so filled with subsidies, special assistance programs, and so on, that we have a very complicated arrangement of agriculture that is a long way from free enterprise. I do not know what to do about this. I merely pose this as a problem that I think this Committee should examine during the year ahead of us. I do not know whether it requires a special committee. I think perhaps it is something that should be in the background of all the deliberations that this Committee pursues. I think it is very

important to realize that when farmers get on their tractors and travel all the way to Ottawa they do not do so unless they have a very deep feeling of discontent with the position in which they find themselves.

These are general remarks and suggestions and I feel we must examine this basic question in our agricultural discussions in this Committee. I feel if we are to do this we should look at the long-range planning in the field of production and marketing in Canada. It has been suggested that we have been planting and reaping for the benefit of world food shortages that do not seem to have materialized, at least as far as our marketing is concerned, and we now find ourselves with great surpluses. I wonder what long-range planning we are doing and where the government expects Canadian agriculture to be five, ten or twenty-five years from now.

Those are my general remarks. I also have two short items I want to discuss. I want to ask a question concerning my own area. I want to know about the codling moth control program that has been under production in the Okanagan for some time. I want to know if that is to be continued. I want to know if the budgetary commitments are to be made for this coming year that are necessary in order to finish that program off. I understand that it is going to require a budget of approximately \$35,000 to complete that program.

The second item I want to mention, and the last one, is that I have had some experience with problems of tariff adjustments in Canada and specific problems that come up in relation to aid programs for farmers. I have noticed that on these occasions the greatest difficulty for the farmers is the length of time that it takes for government to act, on these problems. I do not necessarily say that it is anybody's fault. Very often there are many departments of government involved in arriving at a solution and I feel that we must do something in our administrative program to allow for a much quicker response to some of these problems, that exist. I can cite one problem we had recently, which was a potato tariff problem. We got action on it but it was a very laborious process to get that action and I am concerned that in the future similar problems might not get action merely because of administrative breakdown, the time that it takes to get all of the people together to make a decision.

The Chairman: Mr. Minister?

Mr. Olson: Yes, Mr. Chairman. In respect to the specific question respecting the codling moth, I am going to ask Dr. Woodward to reply to that. My information is that it will continue. However I would have to qualify that by saying that the Estimates for 1969-70 have not yet been approved and therefore it would be unwise for me to give you a commitment for the expenditures during that year. Mr. Chairman, may Dr. Woodward give a more detailed answer to the question now?

Dr. J. C. Woodward (Associate Director General, Research Branch, Department of Agriculture): Mr. Chairman, the codling moth program is part of our over-all study of the integrated control of pests in the fruit growing areas of the Okanagan Valley. After a number of years of laboratory studies and some small field trials we have made plans—which are projected in our 1969-70 Estimates—to proceed with a large scale pilot experiment on the release of sterilized codling moths. This plan is proceeding in co-operation with the British Columbia Department of Agriculture and the B. C. fruit growers. During this fiscal year we are establishing facilities for mass rearing of the codling moths for release.

• 1055

Mr. Howard (Okanagan Boundary): I am glad to hear that.

Mr. Olson: As to the other part of the question, where Mr. Howard suggested that we could improve the service to farmers by having faster or quicker response in some of the marketing problems that we run into, he directed his attention particularly to the potato problem that came on about midsummer. I know that it was a long and laborious procedure to do something to correct this matter. It is also true for corn. I would also like to have the facilities if you want to call them that, to respond much more quickly to these problems, but we have to recognize—and it is not always easy to do so—that we are a signatory to international agreements and without those international agreements we would have chaos in marketing agricultural products. They are not perfect, but we have to respect these agreements and the positions of other countries with which we are dealing.

So far as potatoes were concerned, there was a problem of statistics that did not correspond. In other words, some of the so-called “facts” respecting price lists and market prices—the asking prices, if you like, or

sale prices—of potatoes at various points were checked out and they did not correspond with some other information that we were getting. I think we resolved that to some extent. In any event, I would like to assure hon. members of the Committee that I would hope that ways will be found, in keeping with the international trade peace with other countries, whereby we can respond somewhat more rapidly. However, it is not easy, believe me.

The Chairman: Thank you. I recognize Mr. Gleave of Saskatoon-Biggar.

Mr. Gleave: Mr. Chairman, the same problem that faces agriculture was stated by the Department of Agriculture more accurately and in greater depth than I could possibly do it but there was one thing I was wondering about, I read some of it into record last night, and the fact of the matter is that those engaged in agriculture are lacking in income equal to other sectors of the economy and I think this should be the first concern of this Committee.

The Chairman: Is the microphone not working?

An hon. Member: It is now.

Mr. Gleave: I am sorry if you lost all those words of wisdom, but it probably will be said over again before this Committee ceases to meet.

But I think this is something that we should be first concerned about.

More specifically, I hope that we call before this Committee the Canadian Dairy Commission to find out why it costs \$138 million a year to keep the dairy farmers in business. It always shakes me a bit when I find that the fairly affluent Canadian society apparently cannot pay for the food that it consumes day by day.

I think we should call before this Committee the Canadian Wheat Board and the Canadian Livestock Feed Board. I saw a news item in the press the other day in which one Manitoba farm spokesman said that 2 million bushels of feed grain a year are being bootlegged into eastern Canada; and was corrected by another spokesman from western Canada who said that it was not 2 million but 10 million bushels a year.

I have talked with certain people from Quebec who are in this House and they say they are still paying exorbitant prices for feed grain. We have two boards, the Canadi-

an Livestock Feed Board and the Canadian Wheat Board. Surely between them they should be able to organize an efficient transportation of feed grain as between the producers of western Canada and of Eastern Canada, so therefore, those two boards should come before this Committee and we should try to find out the facts.

• 1100

I hope that we will have some of those involved in the International Wheat Council and the International Grains Arrangement to tell us how effective this new International Grains Arrangement is and whether or not it is going to be effective. These are some of the areas in which we may find some of the answers to the income problem.

I hope we will have those who are responsible for the operations of PFRA, and certainly those from ARDA, before this Committee to tell us what they are doing.

ARDA has come under some very severe criticism, justified or unjustified, and I think we should have an opportunity to check. I agree with the previous speaker that we should know what PFRA's future is, because it has made very important contributions to agriculture west of the Great Lakes.

I think that the kind of trade policy we are going to have will be very vital. What kind of a farm community do we think we are trying to build anyway? We have tremendous forces of production available in this country. If anyone ever turned them loose and gave them a price incentive I do not know how much we would produce. Do we go by fits and starts?

I hope the task force will produce its report fairly soon. I am sorry that the Government of the day did not see fit to have at least one member from one of our farm organizations on it, but they apparently did not.

There are perhaps two questions that I would like to ask the Minister. I do not have a copy of his statement, but I took notes and if they are correct he twice said that we should develop an agriculture which is integrated with the Canadian economy; and, again, he said that we should integrate with other sectors of the economy. I would like to know what he means by this statement and what the trend of his thinking is. I always thought agriculture was tied in pretty closely. This is one of the questions that faces us.

When we see National Grain deciding to go into business with, I think it was, 25,000 hogs

a year down on the west coast then I think we ought to know what effect this is going to have on the market for hogs. They also said they were planning more in western Canada. This is direct competition with the farm producer. It is direct competition for resources and for markets.

Perhaps we should also think of asking National Grain to appear before the Committee to tell us how far they are going with hog production and moving into the farm field.

• 1105

Perhaps it is not fair to cite this one particular industrial complex. There are other areas where it occurs as well. I would, however, like the Minister to say what he is thinking of when he talks about developing an agriculture integrated with the Canadian economy; and I would like his comments on my suggestion that these different organizations, both government and otherwise, be called before this Committee so that we can try to find out what direction agriculture is taking and perhaps hope to plot something in the future.

The Chairman: Thank you, Mr. Gleave. Mr. Olson?

Mr. Olson: Mr. Chairman, I would like to quote what I said when I used the word "integrate" in reference to agriculture. This is perhaps not precise, because these are just notes, but I think I spoke of the "integration of agriculture as an equal partner with other important sectors of the Canadian economy; all of which would serve as the framework within which governments at all levels and agricultural organizations—the other sectors of the agriculture community—may develop programs and policies.

This, too, I think, was part of the comment I made under the general heading of the National Conference on Agriculture.

Perhaps this will answer your question directly and also that, I believe, of Mr. Horn-er who was somewhat critical of the fact that we did not have a practical man—I think that the phrase—he used on the task force. The task force has been asked for an interim report by the end of this year, and that will be used as the basis for a national farm conference which will be representative of all sectors, including the producer groups; and presumably there will be many practical, practising farmers in those groups, as well as others. They will be able to consider the

interim report of the task force and test their opinions against those of other people in the agriculture community; as well as, in a constructive way, to criticize or add to these reports. Therefore, the final report of the task force can be written after it has been subjected to this test in a national agriculture conference.

On the other question of whether or not we could call the Canadian Dairy Commission, the Canadian Wheat Board, the Canadian Livestock Feed Board and other groups such as PFRA before this Committee, if the Committee desires to have members of the Canadian Dairy Commission appear before it we will make them available. I think it has been the practice to refer the annual report of the Canadian Wheat Board to the Agriculture Committee, notwithstanding the fact that the Minister of Industry, Trade and Commerce reports to Parliament for that board. We can also call representatives of the Feed Board before this Committee. Of course it will be up to the Committee to decide from time to time about that. One other point that was made was the matter of the Farm Credit Corporation. If the Committee wishes to examine the Farm Credit Corporation under the vote in the Estimates, that is fine, but I have already given an undertaking that after the completion of the Estimates I will be prepared to refer the report of the Farm Credit Corporation to this Committee so that it can make a detailed, in-depth examination on the operations of the corporation over a number of years.

Indeed, I think they would welcome appearing before the Committee to give an explanation of their activities since they were established, because my information is that they have not been called before this Committee at anytime during their existence, since 1959, I believe.

The Chairman: Thank you, Mr. Olson.

Mr. Gleave: May we also have, as soon as possible, the make-up and the finance—the terms of reference—of this proposed National Grains Council?

• 1110

Mr. Olson: Yes; in so far as we can go. But all of the final, detailed structure of the National Grains Council, including such things as the composition and the structure of the secretariat and of the executive committee, and so on, have not finally been worked out.

What we have to do is to try to get this organization launched, or born, if you like, and then have a meeting of it so that they can work out these final details themselves. I would be pleased, however, at some time to give you what I think is a consensus from the meeting in Winnipeg on the structure of the National Grains Council, subject, of course, to the qualification that this is not final, and will not be so final until the Council itself meets to determine it.

We do have some details, Mr. Chairman. A question was asked about the percentage of farmers in the provinces who took out crop insurance. If you would like that answer now, the number of farmers, by provinces, who purchased crop insurance in 1968, expressed as a percentage of the number of commercial farms, as reported by the 1966 census, was: Prince Edward Island, five per cent; Quebec, 48 per cent; Ontario, three per cent; Manitoba, 52 per cent; Saskatchewan, 18 per cent; Alberta, 32 per cent; British Columbia, eight per cent.

The Chairman: Thank you, Mr. Olson. I recognize Mr. Gauthier.

[Interpretation]

Mr. Gauthier: I thank you very much, Mr. Chairman. I shall try to be as brief as possible.

In the first place, I should like to congratulate you for your appointment as Chairman, and also, I would like to congratulate our Minister of Agriculture. I have worked with him for six years, and I hope that we are going to get along well together. This is not the first time that he is going to hear about the problems of Quebec and the Eastern part of the country. We have discussed them with him for six years, as well as with Mr. Williams, whom we have known for quite a number of years and who is always at our disposal when we ask for information.

I am coming now to the questions, because I believe that the Minister has been hearing about the West for quite a while. I would like to call his attention to the Eastern part of Canada and particularly to Quebec. It will change the atmosphere here.

The crucial problem as far as we are concerned, Mr. Minister, at the present time, is the question of quotas. If the production in the West consists mainly of cereals, you know that in our case it is the dairy production which is the most important. And as long as we will not have settled the dairy industry

problem in the province of Quebec, and especially in my region, I believe that our farmers will go on complaining about the government and claim that an injustice is being committed. I believe this injustice is due to the fact that the matter has not been studied.

And I would like to ask the Minister to study most particularly the question of quotas in the region. I am glad to hear that members of the Canadian Dairy Commission will attend this Committee and I hope that the Chairman will have them called as soon as possible.

But there is a crucial problem here regarding quotas, because many of our farmers have changed their production. They have dropped natural milk and have come back to industrial milk. And this change does not enable them to obtain quotas, because they were not milk producers in 1964, 1965 and 1966. I think that the Minister should draw the attention of the Commission to these producers along with producers of manufactured milk who, for the past three years, mostly, have had to reestablish their herds.

You know that in our region, we have had three years of lean cows, as the saying goes, because of rain, frost and so forth. As a result, 50 percent of our farmers—Mr. Williams is well aware of this—have been compelled to eliminate their herds.

Over the past three years, they have been busy reconstituting these herds, but the trouble is that they cannot receive the quota premiums because these are not to be increased and, generally speaking, it is quite normal for the Commission to establish such a regulation. However I believe that our region should be dealt with as a special case and that the Department should be made aware of this, so that those people who, in 1964, had a herd of about 100 head and have had to reduce it to 40 or 50, may, if they want to, reconstitute it to 100 head. The Canadian Dairy Commission should definitely take these factors into account to enable these farmers to rebuild what they had four or five years ago.

• 1115

This is the second case; the first case as I just mentioned, concerns those farmers who were compelled to switch from natural milk to industrial milk because of the decreasing natural milk market caused by a surplus of this product.

There is a third case: the producer who sells 15 or 20 percent of his production in the form of industrial milk and, since it is considered as

natural milk, he cannot obtain subsidies granted to industrial milk producers. I believe that the Minister, who has heard this many times, will discuss this problem even before the people from the Commission come here, because this is a very urgent question as far as our region is concerned.

There is also the matter of production costs. In view of milk subsidies granted by the Canadian Dairy Commission, some will state that \$5 for 100 pound should be all right for the Montreal area producers. But if you study the whole province, you will see that there are four regions where production costs differ greatly.

Last year, I discussed this with Mr. Côté. While prices were fairly reasonable in Joliette and around Quebec, in our region, the cost of producers was 20 to 25, and sometimes as much as 40 cents higher than in those regions. As things stand, our producers cannot compete with the other regions of Quebec, and therefore, they cannot reach their level. I am not comparing them with the rest of Canada, just with Quebec as a whole. There are so many divergencies in the various sectors of Quebec that I feel it necessary to draw the attention of the Minister and of Mr. Williams to these conditions.

Today, we have another problem the mechanization, modernization of agriculture. Ten years ago, our agriculture was marginal—part farming, part lumbering—and over the past ten years, we have been getting back to more intensive farming but we must mechanize; the size of farms has to be increased.

Since last fall, processors, or even processing factories have called on farmers to accept cooling tanks... This is another problem as far as our farmers are concerned. And I would ask if the minister and Mr. Williams, whether it would be possible to study this problem in order to help all these farmers who are now almost forced to accept these cooling tanks... because if they cannot instal them within a year they will be in a bad way.

● 1120

I believe that the Department should look into the possibility of helping them by a grant of, let us say, 5 p. 100 of price of such a cooling tank. Well, the farmer has to instal this cooling tank, which costs him \$4,000 or \$4,500. This means that it will be two years before he can return to normal production. Wouldn't be possible to consider an amend-

ment to the act? We have the ... legislation to assist agriculture on the prairies could we not have similar legislation for agriculture in the east or Quebec? It could take the form of a direct modernization grant... of say... 50% the cost of these cooling tanks. This would help our farmers out of their present difficulties.

The minister has mentioned research and information offices and Mr. Williams talked about provincial offices and possibly regional offices. But I would like to ask the minister if these offices would be run as a joint programme, that is to say are the provinces going to be managing them and be responsible for them, and will the federal government only send the necessary information or pay as it does in the case of certain plans without participating in the actual administration. I would be very interested to know what federal government's responsibilities in this are would be since this is a question we will be asked.

Well, Mr. Minister, I think I will stop here. I had other questions but I said I would be brief. I'll come back again later.

[English]

Mr. Olson: Thank you. I would like to say at the outset, in response, that I hear a great deal from eastern as well as from western farmers. The correspondence we get and the representations to the Minister of Agriculture and to the Department generally are certainly not exclusively from western Canada. We hear from all over. The Parliamentary Secretary, Mr. Côté, will be able to verify that we have a great many communications from Quebec and eastern Canada.

I would not like to attempt to answer all of the questions you have raised, but one that you asked was on this matter of some direct assistance in modernizing dairy farms for tanks, and that sort of thing.

We believe that it is probably better to provide subsidies by way of holding up the price structure so that the farmers themselves can decide what kind of modernization they want to do. Otherwise, one would get into all kinds of problems. What does one do, for example, with farmers who have already bought a tank or modernized to some extent? It seems to me that these decisions can better be made by the individual farmers than by the Government or by any bureau.

● 1125

Our responsibility—and it has been a rather expensive one, to the tune of something

over \$130 million—is to try to hold up the price so that these decisions can be made by the farmers themselves.

Now there are some details of the joint programs in the management services, but we do not have them all worked out. We hope that it will be a co-ordinated program between the federal and the provincial governments, and although the details are not all available what we are doing now is working out the mechanics of providing the kind of service that we hope will be useful to farmers.

The Chairman: Thank you. I will call two speakers, and I would ask them to be brief. Those who are still on the list will retain their order for Thursday's meeting.

I will recognize Mr. Moore, Westaskiwin.

Mr. Moore (Westaskiwin): Thank you, Mr. Chairman. I wish to add my congratulations to you and the vice-chairman.

I have a surprise for the member for Roberval, Mr. Gauthier. I am going to talk about dairying, too. And I come from western Canada. This affects every province in Canada. I will try to be brief.

One of the top priorities with which this Committee should concern itself is a close examination of the dairy policy—and this, of course, before the next dairy policy is enunciated late in March. The number of dispersal sales in recent years must point to the fact that the policy is certainly not entirely successful.

There are discriminations in the present dairy policy, and I would like to refer to one in particular. This refers to an announcement from the Canadian Dairy Commission that no new subsidy quotas will be granted to new dairymen starting up, be he young or older—but I refer especially to younger dairymen—with one exception, that he can purchase a herd, and if this herd has an established subsidy quota he can take over this quota. This is all very well, but I do feel that very few young dairymen would ever want to invest that type of money; it is not feasible. I think the policy is dictatorial in this respect and is a discrimination against young dairymen. I do not think it is practised by any other industry in Canada and I think it is wrong in principle.

I would like to see the need for subsidies eliminated, but at present, of course, they are a fact of life. Surely the Dairy Commission

does not set up the policies; they are guided by the Department of Agriculture. Therefore, although I feel it to be important that we have the Dairy Commission or their representatives appear before us, I think that we can have some say in the policy beforehand.

I think, too, that in this Committee the whole question of dairy substitutes which I will not refer to today must be examined at some time.

That is all I have to say.

My only question is whether I am correct in my interpretation of this announcement that there is only the one way to obtain a new quota?

Mr. Olson: That is right, Mr. Chairman; no new quotas were established except those that were transferred from one herd to a new one. The reason for that is that we have a situation where we are producing against surpluses of milk powder, cheese and so on, and it seemed wise to rationalize the industry for those people who are already in it before we made allowance for new quotas to be established by coming into an industry where there was production already in excess of market demands.

Mr. Moore (Westaskiwin): Does this not put an artificial value then on the subsidy quota? It is bound to. It has happened in the fluid milk quotas.

Mr. Olson: I do not question that, but what I am saying is that in over-all policy it seemed to me it would be advisable to rationalize the situation for those people who are already in it rather than allowing more in it which would aggravate their position, not for the sake of the Canadian Dairy Commission, but for the people who are already in the industry trying to make a living there. I want to emphasize that this is for this year only. There will be a new policy announced in light of current conditions before the new dairy year starts.

• 1130

Mr. Moore (Westaskiwin): If this is so then it is not as serious as I thought. It was my understanding that this was in the foreseeable future and this is the way everybody interpreted it.

Mr. Olson: The announcement was for one year.

Mr. Moore (Westaskiwin): You do not have a quota?

[Interpretation]

Mr. Roy (Laval): Mr. Chairman, I would like to congratulate the Minister on his appointment; we are very proud to have a man with such experience in agriculture. I would also like to congratulate Mr. Côté, his parliamentary secretary who has a wide experience in the field of agriculture. I will be very brief as I have only a few remarks to make. First of all I was very surprised by the popularity of agriculture in the House of Commons. The Agriculture Committee is the one with the greatest number of members. I am sure all members are aware of the present problems but, however difficult these may be, we must unite our efforts to find solutions.

Agriculture is highly specialised and each detail is very important. As far as production is concerned I am not a man to ask for subsidies. I congratulate you for devoting a large part of the budget to research and bringing the results to the attention of the public. In Quebec we are mainly dairy producers and we wonder why we have herds producing an average of 6,000 pounds of milk when we should have at least a production of 9,500 or 10,000 pounds. Even if we were to ask for a higher subsidy we would first have to tackle the basic problems and try to improve and increase your milk production.

Twenty per cent of our piglets never get to the weaning stage. It is really through popular education and general dissimulation of technical knowledge that we must attempt to aid our farmers. I believe we should co-ordinate all research projects on farms to avoid duplication of this kind of research.

Here I wanted to mention a problem we will have to face. I refer to the competition of dairy substitutes. We should study this situation very seriously and we should plan our dairy production to take into account these substitutes which will be on our market eventually.

There is another question I want to discuss—the question of market gardening. Near Montreal, we have an important market for flowers and we should study our import laws. In June and July and August when we have intensive production, we should protect our producers against imports of tomatoes and other vegetables.

Now there is also another point, which is of great concern to me and I shall be very brief. So far as Production and Marketing are concerned there was a reduction of \$5 million in

the budget. For example, dairy industry, cheese subsidies, there is a reduction of \$1.6 million.

Another matter, Mr. Minister, which should create some difficulties, is the elimination or reduction of pig grading—there is a decrease of about the order of \$3 million in the grading bonus.

I wanted to stress this here. This reduction of \$5 million for Production and Marketing is something which is of great concern to me.

In conclusion I suggest that if we could develop a policy of vegetable production in Quebec, and in the eastern provinces it would be very profitable indeed and it would be better to produce than live on subsidies. With regard to fertilizers I will read verbatim the following article on potash:

• 1135

[English]

Potash production in Saskatchewan rose in volume but declined in value during the first six months.

The department of mineral resources said volume produced was 1,542,407 tons, compared with 1,160,989 for the first six months of 1967. Value declined to \$43,-187,000 from \$43,525,000.

[Interpretation]

I believe that if we could have potash in the East at more reasonable prices—potash usually costs more than \$55 to \$60 per ton—we could have a viable production policy. It would be very important for our farmers to be able to buy this potash which is in surplus in the West and this could definitely improve our production policy in the East.

Mr. Minister, Deputy-Ministers, it was with this in mind that I wished to contribute my viewpoint. I believe that in our Committee meetings we shall have to be very objective. We should forget party considerations and study everything with an objective point of view. Thank you.

[English]

The Chairman: Thank you, Mr. Roy.

As indicated, we will try to adjourn at 11.30. Is it agreed that Item 1 stand?

Some hon. Members: Agreed.

The Chairman: I would like to give notice that we will call Item 5 at our next meeting on Thursday morning at 9.30. If you can all be here promptly at 9.30 we will try and get you out promptly at 11.30. The meeting is

adjourned unless the Parliamentary Secretary would like to say a few words.

[*Interpretation*]

Mr. Florian Côté (Richelieu) Parliamentary Secretary to the Minister of Agriculture: Just one minute please. Mr. Chairman, in order to hasten the Committee's work, would it be possible, once all speeches have been made, to proceed according to debates rules? Mr. Chairman, it will be very difficult for you to call us to order at times. We could authorize you to call us to order when necessary. This would prevent us from losing too much time. I am afraid we have too much talk, and we don't do enough home work. I am just trying to help you, Mr. Chairman, because I know that you are in a difficult position.

[*English*]

The Chairman: Thank you very much. This is our first meeting, and we wanted to allow

some latitude for our opening statements. We may endeavour to apply relevancy at the next meeting a little more stringently.

[*Interpretation*]

Mr. Côté (Richelieu): What are the standards? I think it is three minutes per speaker. Is there a limited time to put questions? Mr. Chairman, is there a committee rule or standard in this regard?

[*English*]

The Chairman: We have the Steering Committee. I think that Committee should meet between now and Thursday morning and make recommendations to the meeting here.

We now have the charts of the organization of the Department, and you may pick one up as you leave.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament

1968

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

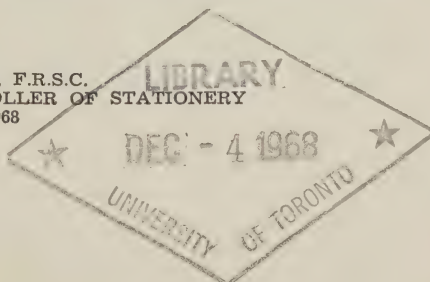
THURSDAY, OCTOBER 31, 1968

Revised Main Estimates (1968-69) relating to Agriculture

WITNESSES:

From the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; Dr. J. C. Woodward, Assistant Deputy Minister (Research); *and from the Department's Research Branch:* Dr. K. Rasmussen, Associate Director General; Dr. D. G. Hamilton, Assistant Director General (Eastern); Mr. J. P. McCrea, Chief, Property and Finance Section.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968



STANDING COMMITTEE
ON
AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (*Lac-Saint-Jean*)

and

Mr. Barrett,	Mr. Howard (<i>Okanagan</i>	Mr. Peters,
Mr. Clermont,	<i>Boundary</i>),	Mr. Pringle,
Mr. Cobbe,	Mr. Korchinski,	Mr. Roy (<i>Laval</i>),
Mr. Côté (<i>Richelieu</i>),	Mr. Lambert (<i>Bellechasse</i>),	Mr. Smith (<i>Saint-Jean</i>),
Mr. Douglas,	Mr. La Salle,	Mr. Southam,
Mr. Foster,	Mr. Lefebvre,	Mr. Stewart (<i>Okanagan-</i>
Mr. Gauthier,	Mr. Lind,	<i>Kootenay</i>),
Mr. Gleave,	Mr. McKinley,	Mr. Thomson (<i>Battleford-</i>
² Mr. Gundlock,	Mr. Muir (<i>Lisgar</i>),	<i>Kindersley</i>),
Mr. Horner,	¹ Mr. Noble,	Mr. Whicher,
		Mr. Yanakis—30.

Michael A. Measures,
Clerk of the Committee.

¹Replaced Mr. Danforth on October 30, 1968.

²Replaced Mr. Moore (*Wetaskiwin*) on October 30, 1968.

ORDER OF REFERENCE

WEDNESDAY, October 30, 1968.

Ordered,—That the names of Messrs. Noble and Gundlock be substituted for those of Messrs. Danforth and Moore (*Wetaskwin*) on the Standing Committee on Agriculture.

ATTEST

ALISTAIR FRASER,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

THURSDAY, October 31, 1968.
(3)

The Standing Committee on Agriculture met at 9:42 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Clermont, Cobbe, Douglas, Foster, Gauthier, Gleave, Horner, La Salle, Lefebvre, Lessard (*Lac-Saint-Jean*), Lind, McKinley Muir (*Lisgar*), Noble, Peters, Pringle, Roy (*Laval*), Smith (*Saint-Jean*), Thomson (*Battleford-Kindersley*), Whicher, Yanakis—(22).

In attendance: From the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; Dr. J. C. Woodward, Assistant Deputy Minister (Research); *and from the Department's Research Branch:* Dr. B. B. Migicovsky, Director General; Dr. K. Rasmussen, Associate Director General; Dr. D. G. Hamilton, Assistant Director General (Eastern); Dr. E. J. LeRoux, Assistant Director, General (Institutes); Mr. J. P. McCrea, Chief, Property and Finance Section.

The Chairman introduced Mr. Williams who, in turn, introduced the others in attendance.

Mr. Williams referred to the following three documents, all of the Canada Department of Agriculture, which were distributed to the members:

1968 Directory of Personnel;
Organization and Activities, publication 1123, 1967;
Research Branch organization chart, October, 1968.

The Chairman called items 5, 10 and 12 of the 1968-69 Revised Estimates relating to Agriculture, namely—

RESEARCH

item 5	Administration, Operation and Maintenance, etc.	\$ 34,965,600
item 10	Construction or Acquisition of Buildings, Works, etc.....	\$ 5,571,300
item 12	Grants, etc.....	\$ 800,400
		<hr/>
		\$ 41,337,300

Dr. Woodward gave an opening statement in the course of which he invited the members to visit the Department's Animal Research Institute at the Central Experimental Farm, Ottawa.

Mr. Williams and Dr. Woodward were questioned, assisted by the others in attendance.

On a suggestion of the Chairman, it was agreed that the Department would provide a chart comparing Departmental research expenditures with farm income, by product categories.

The questioning continued and having been completed, the Chairman thanked those in attendance.

Items 5, 10 and 12 were carried.

At 11:39 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, October 31, 1968

Mr. Clermont: Thank you.

The Chairman: Gentlemen, if you will come to order we shall begin our meeting. I have quite an array of departmental officials on my right who will be available for questioning. The Deputy Minister, Mr. Williams, is second on my right, and I will ask him to present the departmental officials to you at this time.

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): Mr. Chairman and gentlemen, this morning we are concerned with Vote 5 which is administration, operation and maintenance, including the costs of publishing departmental research papers as supplements to the *Canadian Entomologist* under the over-all heading of Research.

Before I introduce the officials who will be answering your direct questions, there are two pieces of information that were asked for at the last meeting of the Committee, one in respect of the organization activities of the department and the other in respect of the staffing. We do not as yet have an up to date chart showing the names. We have, however, brought with us this green book called Organization and Activities of the Canada Department of Agriculture. There is a supply available on the window and we have a Directory of Personnel that covers Department of Agriculture personnel all cross Canada. It is a 1968 ope. However, I must assure you that there are changes going on at all times but it is quite up to date.

In addition to that, Dr. Woodward will be handing around a more detailed chart of the organization of the Research Branch showing not only the breakdown by organizational sectors but also some of the more senior personnel by name.

Now, I should like to introduce Dr. Woodward, who is the Assistant Deputy Minister, Research, who has the responsibility for policy direction under the Executive...

Mr. Clermont: Mr. Williams, have you any French copies?

Mr. Williams: I must apologize, but at the present moment this is in the process of being translated.

Mr. Williams: Dr. Woodward, as I said, is the Assistant Deputy Minister, Research, who has the responsibility for policy direction under the Deputy Minister and is part of the senior executive of the Department for all aspects of research within the Department. With him he has Dr. Migicovsky, who is the Director General of the Research Branch, Dr. Rasmussen, who is Associate Director General, Dr. Hamilton, who is Assistant Director General, Eastern, and Dr. LeRoux, who is Assistant Director General in charge of Institutes. Also with us we have Mr. Jim McCrea, who is the Chief, Property and Finance Section.

I think if we pass around these documents at the present time, Dr. Woodward, it will give the gentlemen a chance to see where these people fit into the various fractions of the organizational structure. Thank you, Mr. Chairman.

The Chairman: Thank you, and may I say we welcome you gentlemen. There are two or three new members present this morning. I think Mr. Smith is new this morning. Am I right, Mr. Smith?

• 0945

Mr. Smith (Saint-Jean): No, I have been here before, Mr. Chairman.

The Chairman: You were here? Mr. Thomson, I believe, is new. Are you new today, Mr. Thomson?

Mr. Thomson (Battleford-Kindersley): No, I just was not here for all of the last meeting.

The Chairman: I see. Mr. Noble is new. It is nice to have you here, Mr. Noble. Are there any other new members here this morning?

Mr. Whicher: I was not here for the last meeting.

The Chairman: We welcome you all, but we welcome you new members in particular.

Mr. Pringle: Mr. Chairman, Mr. Bruce Howard of Okanagan Boundary, phoned me yesterday and asked me to express his regrets at his inability to attend this morning, and he hopes that it will be so noted as he is very desirous of attending the meetings and wishes to apply his interest.

The Chairman: Gentlemen, as I mentioned last week, we did permit considerable latitude. We have Dr. Woodward and other members of the Department here for our edification, and if we stick to the agenda as outlined and question our witnesses I think this is the best way to become familiar with the operation of the Department and make the greatest use of their presence here this morning.

I will read Items 5, 10 and 12 and then I will introduce Dr. Woodward who will make a brief opening statement.

Department of Agriculture

Research

- | | |
|---|--------------|
| 5 Administration, Operation and Maintenance including the costs of publishing departmental research papers as supplements to the "Canadian Entomologist"..... | \$34,965,600 |
| 10 Construction or Acquisition of Buildings, Works, Land and Equipment..... | 5,571,300 |
| 12 Grants as detailed in the Estimates and Canada's fee for membership in the International Society for Horticultural Science..... | 800,400 |

These are the items, gentlemen, to which we want particularly to direct our attention this morning and I am pleased to introduce and call on Dr. Woodward for an opening statement at this time. Dr. Woodward?

Dr. J. C. Woodward (Assistant Deputy Minister, Research, Department of Agriculture): Mr. Chairman, we have just tabled the organizational chart for the Research Branch and it is the major research arm of the Department. Its operation and maintenance is covered in Vote 5, its capital in Vote 10, and Vote 12 deals with its support of extramural research.

The objective of the program is to improve the efficiency and quality of production of agricultural products and to develop and modify products to meet current and future market requirements. Activities include problem-oriented research of soils, plants and animals and agricultural products. As you see by the organizational chart, the program is carried out at 26 research stations located geographically to involve them in the agriculture of the various regions in Canada.

The resources of these 26 research stations include a number of experimental farms and currently over 100 rented project farms, and centralized support and service is supplied through the 8 research institutes and the 3 research services.

The primary factors affecting estimates are increasing costs and these include higher pay scales and increasing prices. Thus though we have estimated for an increase of 21 man years over the 1967-68 level, our total man-year input will be considerably less than, for example, 1961-62.

Now, in the time at your disposal I am sure that you will prefer to examine us rather than have me provide you with complete information on our comprehensive and diversified program.

We do hope that each of you will take advantage of any opportunity you may have to visit our establishments and examine our programs at first hand. More immediately, we are in the process of re-establishing our central research on animals and poultry at a site in the Ottawa Greenbelt. We will be highly complimented if you, Mr. Chairman, will arrange for this Committee to visit the site to study the program, as well as the advances in the efficiency of housing and management of animals and birds.

• 0950

The Chairman: Thank you, Dr. Woodward. We thank you for the invitation included in your opening statement to visit the research arm, if this is the proper term, at a time convenient to the Committee to be arranged with your departmental people.

Dr. Woodward: At your convenience.

The Chairman: I have a number of gentlemen who have indicated that they wish to question the witnesses. I now have on my list Mr. Clermont, Mr. Lefebvre, Mr. Whicher, Mr. Lessard, Mr. Lind, Mr. Douglas, Mr. Pringle, Mr. Gleave and Mr. Noble.

Gentlemen, may I ask you to observe the terms of reference and question the witnesses concerning research. Mr. Clermont?

[Interpretation]

Mr. Clermont: Mr. Chairman, Mr. Woodward, I notice that under the item research directorate administration, provision is made under the heading of professional and special services, 1968-69, for \$260,700, as compared with \$80,000 in 1967-68; \$405,000 compared with \$350,000 in 1967-68. My question is this. When you speak about professional and special services, what does that cover?

[English]

Dr. Woodward: I will ask Mr. McCrea, our Property and Finance officer, to answer this question. He can give you detailed answers.

Mr. J. P. McCrea (Chief, Property and Finance Section, Research Branch): The professional service allotment in the Research Branch is devoted principally to char services for the maintenance and cleaning of our buildings and to protective services supplied by the Canadian Corps of Commissionaires.

There are also other things such as chick-sexing and veterinary service for our animals. That is to say, we hire, or call in, practising veterinarians to take care of sick animals.

For the most part that covers the field—the char service in the buildings, protective service provided by the Canadian Corps of Commissionaires and smaller amounts for chick-sexing and veterinary service.

The Chairman: Does that answer your question, Mr. Clermont?

[Interpretation]

Mr. Clermont: This question is difficult to understand. I notice also that at items V, X, and XII, you make provision for overtime. As item V, under Administration you show \$13,600 in overtime, and under Institutions, Stations, etc., you show \$272,500 in overtime. I notice that this is the same for all districts, Mr. Williams. Might this overtime be paid to full-time employees. Would it be possible, instead of paying that overtime, to offer advantages to the young people coming on the labour market...

[English]

Mr. Williams: I hope I understand the question correctly, Mr. Clermont. I must apologize; I was trying to listen to the interpretation and to you at the same time. I am not sure that I did.

My understanding is that you are inquiring whether, instead of paying overtime, it would be possible to increase the number of positions in order to give employment to younger people, in particular on the farms and in the service of the Department?

Mr. Clermont: That is my question.

Mr. Williams: Basically, we try to keep our overtime to a minimum and try to establish positions. However, sir, you will realize that the Department is controlled, not only in dollar expenditure but also in number of positions.

Even more important, many of these over-time functions are carried on by quite specialized people, and it does not really follow that you could replace

them if the money were thrown free and additional positions were provided.

• 0955

For example, as I am quite sure you appreciate, in times of crop harvest or planting it is necessary to try to run your tractors 12 hours a day instead of the eight, which is our standard work day, and we do not believe it would be practical to eliminate overtime.

However, I think we agree fully with the principle you have enunciated.

[Interpretation]

Mr. Clermont: I am not asking you to dispense entirely with overtime. I know that with the Department of Agriculture it is impossible to suppress overtime entirely. I think you have understood the sense of my question. As much as possible, I think it preferable to provide work on a permanent basis, and I also believe that, in the long run, it will cost less.

[English]

The Chairman: Thank you, Mr. Clermont.

I will recognize Mr. Lefebvre.

Mr. Lefebvre: Thank you, Mr. Chairman.

I have three questions to ask. They are of a somewhat local nature, but they may be interesting to other Members of the Committee. I have had a lot of correspondence lately with a group of farmers in my area of western Quebec who wish to improve their stock by having loaned to them, preferably, a Charolais bull. Are bulls of this type loaned to farmers in this area? So far they have not been successful, but they are still carrying on quite a bit of correspondence with the Minister and other officials. They have hopes of convincing you that this should be done, and so have I.

Could you give us a brief explanation of your policy on this type of help to cattle breeders in this area?

Mr. Williams: In direct reply to your question, Mr. Lefebvre the loaning of purebred sires, whether they be cattle, sheep, swine, or horses, is not administered, in general, by the Research Branch but rather by the Production and Marketing Branch.

It is a type of policy in which we are no longer as active as we used to be, and the basic premise on which sires are loaned is on a share-and-share basis, with groups of farmers who are operating what might loosely be called organized community pastures; that is to say, in areas where people get together and graze animals co-operatively, or on some type of a co-operative basis.

We do have a program—and I must say it is not a very large one at the present time—under which the actual graziers are required to put up half the number of the bulls and the Department endeavours to supply the other half.

This is an area, however, that is largely being taken over provincially. This is not true everywhere, but it is one out of which we are moving and into which the provinces are moving.

• 1000

Mr. Lefebvre: In other words, this group of cattle breeders in this area do not have much hope of acquiring this service from the federal Department of Agriculture?

Mr. Williams: I would like to reserve my answer on that question, sir. I will look into the problem and will reply to you later in more detail.

Mr. Lefebvre: In some of the answers they have received they were told that they should investigate the possibilities of artificial insemination.

They have explained to me that these cattle are outside for most of the year and that they would find this a very, very difficult way of improving their stock. That is the reason for their insisting on getting a loan of one of these types of bulls which are better than those they have. Could I say that there is still some hope and that they will just have to keep pushing? Do I have to confine my questions to research this morning, Mr. Chairman?

The Chairman: As far as possible, Mr. Lefebvre, because you will have other opportunities of questioning other witnesses dealing with other phases of the departmental work.

Mr. Lefebvre: I will pass then, thank you.

The Chairman: I recognize Mr. Whicher, Bruce County.

Mr. Whicher: Mr. Chairman, I have two questions. We have under "Research" an expenditure of almost \$35 million which, even today, is a great deal. I want to ask what co-operation or what liaison the Department of Agriculture in Ottawa has with the provinces if they work together in their various projects. My reason for asking this question is that I found that the departments at the political level fight like hell. That is, they take credit when the prices go up, and pass the buck when prices go down. I would like to know if there is better liaison between the civil servants from Ottawa and the provinces than there is between the politicians.

Secondly, inasmuch as we have an expenditure of \$35 million, I would like to ask this question: is there any specific job, any product of research this year that you can say was an absolute success, that you can be proud of and say that because of the expenditure of this money, we have done something definite in research for the farmers of Canada?

Dr. Woodward: Mr. Chairman, in answer to the first question, we have a Canadian Agricultural Services Coordinating Committee chaired by our Deputy Minister which includes all the provincial Deputy Ministers of Agriculture. There are two subcommittees under this main committee, one of which is involved with research, education and extension, and in addition, there are subcommittees of CASCOC at provincial and regional levels which include the Deputy Ministers of Agriculture, the Deans of the faculties of Agriculture, and the directors of our research stations. This is the formal liaison with the provinces. There is a great deal of informal liaison, because we encourage our people at the regional level to co-ordinate and collaborate in the solution of the agricultural problems of the province or region. Our officers give first priority to serving on university or provincial or regional committees which are established for such matters as fertilizer recommendations, recommendations for the control of pests and crops, and any recommendations involving the management of crops or animals. Then, of course, we had a long-continuing and very productive co-operation with the provinces and the universities in the study of our soils in Canada under our Canadian soils survey. If we want an example of something that has been put to great use in this past year, it is the work that has been done co-operatively under the leadership of this Research Branch in evaluating the soils of Canada, and in leading up to land-use policies and the real inventory of our land on a use basis.

• 1005

Mr. Whicher: May I just ask one question. Probably I am ignorant of this and I am speaking strictly as a layman. When we talk about the evaluation of the soils of Canada, we have been in this business for a long time. Do we not know what types of soils we have all around Canada now? Do we have to do this year after year? This is an expensive proposition, and I would have thought that by now we would know what type of soil there is, let us say, in Southern Ontario or in the Province of Alberta.

Dr. Woodward: In answer to your question, we have a reconnaissance survey and a good survey. I think that Canada is one of the leading countries

in its knowledge of soils resource. The kinds of survey we are focussing on today are of land for the particular end-use of the land. In the last year or two we have got a great deal of useful information on our organic soils of Canada because we have not as much organic soils as we have mineral soils, and our earlier work was focussed on mineral soils. Now, in specific advances that we have made, that have come to fruition in the last year—and research is a long-time operation—we have got the study of the codling moth in the Okanagan Valley, which I mentioned the other day, to the point where we are ready for a field trial, and I think this is a real breakthrough. In our work with swine, our research has brought us to the stage that this year, on January 1, we can introduce a new hog-grading system based on the results of research which was largely an outcome of work at our Lacombe Research Station.

Mr. Whicher: Is hog-grading accepted in British Columbia the same as it is in Ontario or right across Canada?

Dr. Woodward: It is a national policy.

The Chairman: I think the question directed to Dr. Woodward is whether or not there is more co-operation between civil servants at the federal level and with the provinces than there is among politicians, and I think Dr. Woodward has been very fair in answering only the one side of it. I think, if I might add, I can supplement his answer a little bit, having worked for the federal Department of Agriculture and also for the Ontario Department of Agriculture, and now being involved as a politician, is like comparing lambs and lions, and I think Dr. Woodward's answer was most complete from the departmental side of it. I will now recognize Mr. Lessard.

[*Interpretation*]

Mr. Lessard (Lac-Saint-Jean): Thank you, Mr. Chairman. I have a few questions to ask about experimental farms. I see from the list that in the Province of Quebec there are some experimental farms, one of which is in the Lake St. John district, at Normandin. For a few years, we have not heard much about this experimental farm. It does not seem that it has progressed or that much research work has been done there and I wonder if your Research Department has a project to develop the Normandin experimental farm, which is well located in an agricultural district. Unfortunately, we have the impression that it is completely ignored in the area. Is there any work done there? If so, there is no publicity about it or very little publicity, little contact between the farmers and people who are working at that experimental station

And I wonder, therefore, if it is not one of the reasons why today, in our area, the provincial government is now constructing in Alma an agricultural laboratory and that last year we built, at St. Leon, in the same district, a research station on blueberries.

[*Interpretation*]

Does your department take part in this agricultural laboratory in Alma? Does it cooperate effectively? Does it participate also in the research station on blueberries? Four million dollars have been invested for blueberry farms. Nothing has been done in the field of research before. Research is now being carried out. What is your opinion on this?

• 1010

[*English*]

Dr. Woodward: Mr. Chairman, after a complete study of a federal program for the Province of Quebec, in collaboration with the Quebec Department of Agriculture, we suggested that we required three major research stations supported by appropriate project farms in the Province of Quebec. One of these was to be centred out of Quebec City for Eastern Quebec with supporting experimental farms at Normandin, La Pocatiere and at Caplan. As you know, we are in the process of establishing ourselves on the campus of Laval University. We therefore expect to be more effective in Eastern Quebec than we have been since we contributed 17 of our key staff members to Laval University when the Faculty of Agriculture was established. At Normandin in 1965-66 we had an appropriation of \$186,000. In 1966-67 it was \$189,000, and in 1967-68 it was \$200,000 expended at Normandin. The installation at Alma is actually a provincial service laboratory. This is a provincial laboratory, and part of our over-all understanding with the Quebec Department of Agriculture is where we would have our principal research stations and how they would support and extend the findings of research for the use of the farmers in various areas. You know as much and perhaps more than I do about their organization, but they have organized into specific regions and services for those regions. In the blueberry developments in Quebec these have been projects established through the ARDA program, so they are joint. The leadership is coming from the province with support from the federal government.

Mr. Lessard (Lac-Saint-Jean): Are you involved in research on blueberries?

Dr. Woodward: Yes, sir. We have blueberry research principally at Kentville, Nova Scotia, our horticultural research station. We have some field work in Newfoundland and some in New Brunswick, but the work in the Lake St. John district is under

ARDA and it is a co-operative project between the federal and provincial governments.

Mr. Lessard (Lac-Saint-Jean): Thank you.

Mr. Lefebvre: I have a supplementary. I believe when you mention \$4 million we should underline the fact that the federal government paid 50 per cent of that \$4 million to ARDA, even more perhaps.

Mr. Lessard (Lac-Saint-Jean): That is why I put that question.

[Interpretation]

Mr. Lefebvre: But this is an ARDA program administered by the province but with 50 per cent paid by the federal government.

[English]

Mr. Lessard (Lac-Saint-Jean): Thank you very much.

[Interpretation]

Mr. Gauthier: A supplementary question, Mr. Chairman. To follow up Mr. Lessard's question, we have just been told by him that his services have increased the amount spent in the Normandin Experimental Farm. Would you please explain why you have decreased the staff?

[English]

Dr. Woodward: Mr. Chairman, the increase in expenditures is as I outlined in my opening remarks, with our increasing salaries and costs and also in conjunction with our over-all livestock research program for the Province of Quebec, which is actually centred at Lennoxville. We have had part of this work going on at Normandin where we have had expenditures for livestock feed.

Mr. Whicher: A supplementary on this ARDA situation. These ARDA projects are opened up inasmuch as you are supplying 50 per cent of the money. I know that the provinces do much of the work, and so on. They spend your money. That is what they do, really. But when these things are opened up, I notice that in Ontario anyway, the Ontario officials are there and I do not blame them for taking the credit. They are proud of these things, but are you told when these projects are being opened? And if you are told, why is not somebody from your Department there to explain the part that you have played in this particular affair or whatever it may be?

Mr. Williams: First of all, I would like to make it clear that in so far as the Department of Agriculture is concerned, we are solely advisers to the Department of Forestry and Rural Development in

respect of ARDA affairs. I am afraid that I am not in a position to answer for the Department of Forestry and Rural Development, sir, as to their representation at these affairs. We do participate quite actively in many of these. We have continuing officers in this Department who are engaged in liaison with provincial committees, some of them on a full-time basis, in the development of ARDA programs. But in respect of your specific question, I am afraid I am not in a position to answer it.

The Chairman: Thank you, Mr. Williams. Mr. LaSalle, a supplementary.

[Interpretation]

Mr. La Salle: Yes, I think that in the interest of all the emmbers of the Committee, before we go any further at the level of research, could the witnesses assure us that first and foremost, there is excellent co-operation between the provinces with respect to research. And, I think that if there is no such collaboration, then there is a risk of duplication of effort and this would mean of course waste, a waste of work and research. Are they in a position to tell us that there is excellent collaboration which would avoid duplication of certain kinds of work or certain kinds of responsibilities?

• 1015

[English]

The Chairman: Dr. Woodward.

Dr. Woodward: Mr. Chairman, this is a very important subject and I question if there is any perfection. I will say that in the Province of Quebec in addition to CASC, the co-ordinating sub-committee which includes the Deputy Minister of Agriculture, the Dean of the Faculty of Agriculture at Laval University and the directors of our research stations, we have a Quebec Agricultural Research Council upon which we are represented and we have frequent informal meetings on an ad hoc basis on particular problems with the Quebec people.

Mr. Williams: I might add a word. As Dr. Woodward points out, I think this is an extremely important question that has been raised. I think I could say almost categorically that we have excellent co-operation. I would, however, have to qualify that statement by the fact that whenever one is dealing with resources that are in limited supply, various people have different ideas about priorities.

I do not believe we have ever been in the position where we have not been able to resolve our differences of opinions in respect of priorities through the mechanism that Dr. Woodward explained earlier. I may say that the Deputy

Ministers of Agriculture and our top research men on both sides meet very regularly and try to thrash out all these problems, but I would not be in a position to say that we do not have arguments and we do not have discussions, but I must say that we do have a very clear understanding of each other and excellent co-operation.

Another point I would like to add is that I think probably in all areas of work, research probably is the least likely in which one might find duplication of effort. If there is anything that a research officer does not want to do is duplicate somebody else's work. Research officers the world over, I think you will find, search the literature very thoroughly before they embark on any type of work to see that they are, in fact, not duplicating somebody else's work because they are quite a jealous crowd—that is to say, jealous of their own abilities—and they are not the faintest bit interested in simply repeating somebody else's work.

Now, by that I am not saying that we do not need formal methods of avoiding duplication and formal methods of co-ordination, but we do have a very strong built-in safety factor in respect of the attitude of research officers.

[Interpretation]

• 1020

Mr. La Salle: A last question, Mr. Chairman, about Quebec—and I imagine all the members are equally concerned their territories. Could I ask the witnesses, whether they are getting satisfactory co-operation from Quebec at all levels of research?

[English]

Mr. Williams: I think possibly we could ask Dr. Hamilton; he is basically our research co-ordinator for Eastern Canada. I think possibly the best answer we can give you is ask to Dr. Hamilton, who works actively with these people on a day-to-day basis, to give you his views on this matter.

[Interpretation]

Dr. D. G. Hamilton (Assistant Director General (Eastern) Department of Agriculture): Co-operation between the federal government and all the groups of the province of Quebec, this co-operation and all the work that we do together is little short of magnificent. Right now it is hard for me to express myself fully in French. If you will allow me, I will continue in English.

[English]

Yesterday I spent all day in Quebec City. Our co-operation, our exchange of views about today and where we are going in the future, there is not one thing to keep it in as good shape as it is any-

where in Canada. I think it is excellent on a man-to-man knowledgeable basis. We are working together for the same group of people, each with his own responsibilities, his own ideas and, without a bit of exaggeration, it is very, very well co-ordinated between our stations, our federal people and the provincial research organization, which is quite large, and also with Laval University.

These three groups, I think, are in as complete harmony as they possible can be, as humans can be, in going forward and trying to do the best things for Quebec agriculture.

Mr. Whicher: Mr. Chairman, a supplementary question...

The Chairman: Gentlemen, there is a danger here of your interjecting supplementaries and then becoming the main questioner. I do have a list to follow and I am going to have to ask for your co-operation in recognizing that.

I now recognize Mr. Lind from Middlesex.

Mr. Lind: Thank you, Mr. Chariman. Dr. Woodward, one of the problems in Southwestern Ontario that has come to the fore quite recently is the corn problem. One of the problems the milling people and the people that use corn tell us is that during the period from September 1 to October 15 it is very difficult for them to obtain a supply of suitable corn to fill their milling needs for feed and also, if we want to go to the special corns, the cornflake companies.

• 1025

For this purpose, we in Canada import a considerable amount of U.S. corn. My question to you is, at what stage are we in research in the Department of Agriculture to provide a 70- or 75-day corn that will yield approximately the same amount of bushels as the longer-day corn? Have I made myself explicit? Do you understand what I am driving at?

Dr. Woodward: Well, sir, genetically we have a negative correlation between yield and days to maturity, so that we have corn in our experimental work that is yielding much higher than corn yielded a few years ago, and actually our yields compare very favourably with the corn yields in the cornbelt of the United States.

However, because of the genetic relationships between early maturity and yield, if we get a crop that will mature earlier, usually it will not compete favourably in yield with a crop that has a longer growing season.

Mr. Lind: Well, how much are we spending at the present time and how many people are engaged in experimenting with this for our agriculturists, to produce these shorter-day, higher-yield corns?

Dr. Woodward: In Ottawa, sir, we have a substantial team on corn breeding and particularly in producing inbred lines and testing them, their crossing ability for hybrids, and we have a corn program at Harrow and then, for the members from the West, we also have a corn breeding program at Morden.

Mr. Lind: Now, one of the areas I touched but did not enlarge upon is the corn used by such companies as Kellogg's for making cornflakes. Have we developed a square-kernel corn and is seed available for our farmers if they wished to grow this crop?

Dr. Woodward: I cannot answer that, sir. The information I have from my experts is that we have not.

Mr. Lind: We have not? Is there any intention on the part of the Department to go into this, because we import a million bushels of corn a year for this purpose?

• 1030

Dr. Woodward: I would be very glad to look into this, sir, and give you the information.

Mr. Lind: That will be fine, thank you.

I have one further question. Do we co-operate in this area with the officials of the United States Department of Agriculture? They seem to have developed the short day strings of corn with a high yield?

Dr. Woodward: Yes, sir. Our research officers and those such as Dr. Lorne S. Donovan in Ottawa and our senior research man at Harrow are working very, very closely with them and have available to them all the information and materials that the American researchers have.

Mr. Lind: In our research department do we go into the problems of transportation and research into cheaper methods of transportation, or is this in an entirely different field?

Dr. Woodward: We do not have any program in transportation, sir, in the Research Branch.

Mr. Lind: Thank you very much, Mr. Chairman.

The Chairman: Thank you, Mr. Lind.

I recognize Mr. Noble of Grey-Simcoe.

Mr. Noble: Mr. Chairman, I wish to direct this question to Dr. Woodward. What is the specific scope of the responsibility of the Research Branch? Is it confined to Government projects only, or does it do any research in animal husbandry for individuals with problems of disease and disaster which need some research?

Dr. Woodward: Mr. Chairman, our program is mission-oriented and relates to problems. We do not, of course, do research under contract or agreement with a single individual, but the problem may often arise as the results of the experiences of a single individual.

Mr. Noble: If they had a serious problem, Dr. Woodward, and appealed to your division would you look into the possibility of doing something?

Dr. Woodward: Yes, sir, we would.

Mr. Noble: Is it the responsibility of the Research Branch to check on the safety of food for humans and animals?

Dr. Woodward: Not actually to check, sir; the actual final control is with the Department of National Health and Welfare. Certainly, in all our research one of our objectives is to produce safe food, because if we do not we cannot market it. Therefore, we work very closely with the Department of National Health and Welfare in this area.

Mr. Noble: Is there any other government division that does research on foods or meats?

Dr. Woodward: We do the research, sir, and the control is under the Food and Drugs Act. There is continuous research in the Food and Drug Directorate of the Department of National Health and Welfare and we certainly have a Food Research Institute. We also have food research, in support of our agricultural products, going on at Kemptville, Summerland, Morden and Lethbridge in addition to our central Food Research Institute.

Mr. Noble: I have one final question, sir. Has any meat been rejected during the last 12 months because of an accumulation of residue from stilbestrol?

Dr. Woodward: I cannot answer that question, sir. I could get that information from the Department of National Health and Welfare.

Perhaps the Deputy Minister may be able to say something on that, sir.

• 1035

Mr. Williams: All I can say is that I do not know either. I do not know of any.

I think I would have known had any been rejected by our Health of Animals Branch. We certainly can get that information and give it to you.

The only problem that I can recall in respect of stilbestrol during the past year was one associated with an export to a specific country which required a certification that it was stilbestrol-free. We were able to negotiate with this country and they accepted a certification that in Canada meat of this

type was obtained from a class of livestock to which it was not normal practice to feed stilbestrol-containing compounds.

Mr. Noble: Is any routine check made on the residue from stilbestrol in meat?

Mr. Williams: Not by this Department, sir. That falls under the Department of National Health and Welfare.

Mr. Noble: That would be the responsibility of the Department of National Health and Welfare?

Mr. Williams: The Food and Drug Directorate of the Department of National Health and Welfare.

Mr. Noble: Then they must have a research branch that does this outside your jurisdiction?

Mr. Williams: It is a control branch as opposed to a research branch; it is an analytical branch, yes. They have quite extensive laboratory facilities in support of their control operations.

Mr. Noble: Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Noble.

I now recognize Mr. Douglas of Assiniboia.

Mr. Douglas: Dr. Woodward, I was interested in the discussion of a few moments ago about co-operation in research. I would like to observe, relative thereto, that it seems to me that although it may be important that there be no duplication of research, from the point of view of money and time, the more important aspect to the farmers is that adequate coverage be given to all fields of research; that nothing be overlooked, in other words. That is merely a comment I wished to make.

I would now like to discuss the overall fields of research, or question it a little. No doubt you have read a recent report of the Economic Council of Canada which rather took us to task in Canada for our agricultural research. One thing they mentioned, as I recall, was that a large proportion of the research money was spent on horticulture rather than on agriculture. I have not been able to find a breakdown of these figures that indicates how the money is divided between these fields. It is, however, indicated that there is an expenditure of \$800,000 plus for membership in an international horticultural science group.

My questions are: How is the money divided between horticulture and other agricultural research, and is the budget of \$35 million or \$40 million adequate to provide the amount of research advisable, or desirable, in the field of agriculture research, in new varieties of research on markets, which may not involve your Department, and

also weather, which also may not involve your Department?

Dr. Woodward: Altogether, roughly \$14,900,000 is expended on crops. Of that about \$3 million are on cereals; about \$2.8 million on forage crops; about half-a-million dollars on oil-seed crops; half-a-million dollars on tobacco; on tree fruits, about \$2.4 million; \$836,000 on small fruits; and about \$2.7 million on vegetables.

You must remember that we have a great many species of horticultural crops to deal with and that there arise a great variety of problems that are of concern to the farmers of Canada.

It comes back to what I think was your former suggestion, of getting coverage on all the problems and of having sufficient expertise that we can concern ourselves with the problems of agricultural production.

• 1040

The Chairman: Have you finished, Mr. Douglas?

Mr. Douglas: I have finished asking questions, but I hope he has not finished answering them.

Dr. Woodward: Sir, I do not think that we will ever—although perhaps I should not say “ever”—I do not think we ever have had adequate total facilities for agricultural research, considering our own and those of the universities and provinces, to exhaust the possibilities of having really efficient returns from our research input. That is, we have never come close to saturation, if you like.

Mr. Douglas: Do you have research on markets?

Dr. Woodward: Yes, we have research, but not in this branch, sir. It would be in the Economics Branch.

Mr. Douglas: And weather, too? . . .

The Chairman: Mr. Williams will comment.

Mr. Williams: The question was asked whether we had comparable figures on the values of crops broken down into roughly the same category. Of the total farm income for the last complete year that I have here, which is 1966, the revenue from grains amounted to—I am rounding these figures—to \$1.2 billion; oil seeds, \$127 million; other crops, \$487 million; livestock, \$1.3 billion; dairy products, \$582 million; poultry and eggs, \$392 million and all others \$96 million. Basically the figure that I gave for other crops by and large covers horticultural crops.

The Chairman: What was the figure for other crops?

Mr. Williams: It was \$487 million out of a total of \$4,164,000,000. There are crops other than horticultural crops included in that figure—I think you appreciate that gentlemen—but they are largely horticultural crops. This is a gross breakdown.

If you are interested I could read what the other crops include. They include corn, sugar beets, potatoes, fruits, vegetables, tobacco and other crops.

The Chairman: I wonder if it would be too much to ask of our witnesses today that they provide us with the amount of dollars spent and the amount of revenue received in these various departments so that we might be able to express some considered opinion on whether we were top heavy one place or another. I am just commenting offhandedly, but it seems to me that we produce a lot of livestock and livestock products and I assume that our research is in keeping with the overall production in these various areas. However, I think we all would like to be assured of that. Do I express the feeling of the meeting?

Some hon. Members: Agreed.

The Chairman: Would that be possible, Mr. Williams?

Mr. Williams: Yes, and I would suggest, Mr. Chairman, that in addition to the items covered in this vote, it would be more useful to the Committee if we were also to include expenditures made under the Health of Animals Branch in respect of livestock disease research because livestock disease research is carried on under a different vote entirely, whereas crop disease is carried on under these votes.

The Chairman: Is it the wish of the Committee that the Department provide the Committee with this type of information? Am I correct?

Some hon. Members: Agreed.

Dr. Woodward: Mr. Chairman, if I could make a comment on this item for the horticultural science—The International Society for Horticultural Science. This item covers Canada's membership fee of \$400 in this international society.

• 1045

The Chairman: Are you finished, Mr. Douglas?

Mr. Douglas: Yes, thank you.

The Chairman: I recognize Mr. Pringle (Fraser Valley East). I will then recognize Mr. Horner of Crowfoot and Mr. Gleave.

Mr. Pringle: Mr. Chairman, first of all I would like to ask a few questions about the research

being carried on at the present time with regard to poultry. Poultry breeding in the turkey end of our business, of course, has practically disappeared from Canada as far as strange Canadian strains are concerned even though we were the first ones to develop a Broad Breasted Bronze. As a matter of fact, it was developed originally in my constituency many many years ago. We are entirely dependent on and are using American strains which are doing a good job for the turkey industry in Canada.

Now, in egg production stock, it seems to me, we have reached the point where we only have about one breeder in Canada who really is doing a job on egg production breeding and world distribution. Of course, egg production breeding, as you may agree, has now become so highly specialized that unless it is a world-trading operation it is pretty difficult to find the money to continue. We are still doing, I presume, considerable research at considerable cost in egg production and I wonder if you feel this is still a valid way to approach egg production or have you considered the fact that we may get a little more sophisticated and flexible and try to go a step further and spend some of that money on further processing—further processing of poultry, poultry products and even dairy products, although I am not referring at this time to filled milk, but to other legitimate items such as some sophisticated types of breakfast drinks which are invading our markets—which is becoming a very important part of the agricultural industry. I believe our people in the poultry industry would find this of great assistance because those plants involved in processing poultry throughout the country find it quite difficult to get into this business rapidly enough and to catch up with the other research.

As a matter of fact my question was inspired by Mr. Williams' statement that is it not their intention to duplicate work, but it seems to me that the other research work in egg production being done mainly at the private enterprise level has really surpassed us and properly so. To qualify this remark I would like to say I have a great deal of respect for the Poultry Division in the Department of Agriculture. I think they have led the world, over the years, in practical production at the farm level, but now that it has become so highly specialized, there are other larger areas that could overtake us.

I wonder if any consideration has been given to research in further processing of poultry, poultry products and some other items with the aim of helping these people?

There is one other topic I would like to mention very briefly dealing with the difficulties in processing vegetables on Prince Edward Island.

I know P.E.I. is a long way from my constituency, but a company in my constituency happens to have built a processing plant on Prince Edward Island and they are having considerable difficulty with certain products, such as brussels sprouts with rot and one thing and another. Would it be possible for your Department to look into this problem?

I might say that the co-operation between the Federal Department of Agriculture and our boys on Prince Edward Island is excellent, but I wanted to bring this up today because I think Prince Edward Island is an area in which we are all interested. I know the Inspection Division is doing a very rigid job. Perhaps it is considered to be slightly over-militant in some ways, particularly with regard to consistency of inspection as compared to some areas on the mainland which might be looked into, too.

Those are my two questions this morning.

• 1050

Dr. Woodward: Mr. Chairman, I am certainly pleased that we are getting some support for food in research in the field of processing and development, because we have been endeavouring for the last six or seven years to increase our facility in this area. We have now a Food Research Institute of which we are very proud. You are all invited to come and visit our Food Research Institute and I am sure if you visit it, you will be impressed with what is going on. You may be a bit shaken by some of the ideas of what our director feels should be done in this field. We have worked, for example, on poultry products. Our turkey roll is on the market now, a product that came out of our Food Research Institute. But now to answer the question on poultry breeding, I would like to call on Dr. Rasmussen, Mr. Chairman, if I may.

The Chairman: Dr. Rasmussen?

Dr. K. Rasmussen (Associate Director General, Department of Agriculture): Mr. Chairman, I might say this is an area that has been of considerable concern to us in recent years in evaluating our program because of the developments that have taken place, as was indicated, in the large industrial development of poultry breeding. But we still feel there is room for a certain amount of research in poultry breeding in order to develop new principles that can be applied. We want to provide our Canadian breeders and others that may develop with information that will help them to stay competitive. We feel there is still room for a certain amount.

Now we have in fact been reducing the amount of poultry breeding we have been doing at some of our establishments and swinging over more to manage-

ment aspects which we feel have immediate application in various areas.

As far as the turkeys are concerned, we have not recently been involved in turkey breeding. The University of Guelph particularly, as far as I know, is involved, and here again it is a matter of avoiding duplication and working with them in certain aspects of work. We have turkey nutrition going on, but the breeding aspect is being taken care of by others to a large extent.

The Chairman: Do you have a supplementary, Mr. Roy?

Mr. Roy (Laval): Is your work more on the breeding or on the feeding and nutrition level?

Dr. Rasmussen: In poultry?

Mr. Roy (Laval): Yes.

Dr. Rasmussen: We have a fairly well balanced program in poultry, a fairly strong nutrition section here in Ottawa particularly, and also at Lethbridge. There is some small amount of work going on at Agassiz, but this is more in the management field than in the nutritional field. Therefore I think our balance is quite good, actually.

The random sample test is not under the Research Branch. It comes under production and marketing and is not part of our research program. But we advise in terms of the procedures that are used, and I think I can say it is being conducted on a very satisfactory basis.

The Chairman: Mr. Pringle, are you finished?

Mr. Pringle: I think that is all. I do not wish to use any more of your time. Thank you very much, gentlemen.

The Chairman: Thank you, Mr. Pringle. I recognize Mr. Horner from Crowfoot.

Mr. Horner: My question has to do with research in cattle and livestock feeding. The Department has purchased some Simmental cattle for research into growth, growth rate, and rate of gain. Am I right in that assumption?

Dr. Woodward: Yes, sir.

Mr. Horner: Where are they located? What research station?

Dr. Woodward: They are at Lacombe.

Mr. Horner: Why were Simmental chosen? Was there any particular reason over Charolais, for example, or over some other European breed?

Dr. Woodward: Mr. Chairman, they were chosen after a study by our most knowledgeable officials of the information available on the productivity in

terms of lean meat, of what they consider the leading breeds in Europe. The Charolais had already been introduced to Canada. Much information was coming out of private enterprise on the Charolais. There were two other breeds about which we were particularly interested in getting information, and one was the Pie Rouge or the Simenthal and the other was the Limousin, which is a breed we now have at Grosse Ile in quarantine and which will go to Brandon. There will be an integrated program in evaluating these breeds, both as breeds themselves and their ability to produce in a cross-breeding program. We have quite a comprehensive project being set up between Lacombe and Brandon on the evaluation of these breeds.

Mr. Horner: The Department has also bought some Charolais cattle. Are they testing them, or are they using them for the distribution of semen? What is the purpose there?

• 1055

Dr. Woodward: We have not bought any.

Mr. Horner: Not even this last year? You do not have a permit for Charolais cattle in Grosse Ile now?

Mr. Williams: No, the Department does not own any Charolais cattle, at least none that I am aware of, unless possibly there are some that were bought under PFRA programs which of course are not in the Department now, but perhaps were bought when they were in the Department for some of their pasture work. But these would not be the French importations. They would be the Canadian Charolais.

Mr. Horner: I was speaking of the French importation.

Mr. Williams: No. I am quite certain we do not own any Charolais cattle coming from these recent French importations.

Mr. Horner: Has the Department taken a look from the research point of view at the Italian cattle called the Chiana. It begins with a "Ch."

Mr. Williams: I am afraid I am no better than anyone else at pronouncing that. I think it is called Chiana, or some name such as that.

Mr. Lefebvre: That is a wine.

Mr. Williams: It comes, Mr. Lefebvre, from exactly the same district. Possibly that is why the Department is having a look at them.

Mr. Horner: Has the Department taken a look at them from the point of view of comparison with the rate of gain and conversion of feed to lean beef, and so on?

Mr. Williams: I might say that the look that the Department has taken has been only a very cursory one. We have had one official visit to the largest herd in Italy to form some opinion on it. I think you will appreciate that this is a matter of opinion at the present time and can be nothing else. It was simply because this breed had come to our attention in our over-all evaluation of European beef available. Unfortunately at the present time it is not possible to bring this breed to Canada because of health restrictions.

Mr. Horner: I see. In the testing of the Simenthal and the Charolais, is there any test being made with regard to the conversion rate, not necessarily the lean beef, but the conversion rate of grain to beef?

Dr. Woodward: Yes, sir.

Mr. Horner: How do the Charolais or the Simenthal stand up to what would commonly be called our standard breeds or the British breed?

Dr. Rasmussen: I might say that at the present time the Simenthal have not advanced to the stage where we have any information. They were brought in only last year, and this is the first year in which they have been used for breeding. So that we will not in fact have any information on them for a year or two.

The Charolais have been used along with a number of other breeds in a major cross-breeding project that we have in co-operation with a rancher, "The Three Walking Sticks" in Alberta, and some of the preliminary information that we have from the conversions there indicate they will possibly do a bit better than some of our common breeds. This is in the cross-breds only. We have not tested any of the purebreds.

Mr. Horner: With regard to your test at "The Three Walking Sticks Ranch" in Alberta, are those cattle carried out in a beef-testing feeding program, or are your conversion rates only with regard to growth rate on grass?

• 1100

Dr. Rasmussen: The crossbred steers are brought into Lethbridge to a feed-lot test, and they are put on normal feed-lot rations. Therefore we will have information on that basis, and obviously we will also have information on them up to weaning time on grass.

Mr. Horner: Do you have reason to believe that the conversion rate of the crossbreds is better, because of the Charolais strain, or is it solely because of the highbred factor coming into play?

Dr. Rasmussen: Mr. Chairman, this is possibly a bit of a tricky question to answer in the sense that it is extremely difficult to distinguish between the two. In other words, you normally get the highbred effect regardless of breed. You can then evaluate if you have several breeds being tested. You can measure the difference between them in terms of what is simply highbred and whether there is a breed effect as well.

Mr. Horner: The point I am trying to make, Mr. Chairman, is that in the years ahead for cattle to remain an efficient producer of protein food for human beings they have to have a very good conversion rate and in order to ascertain correctly I would think it would be better if the Department first tested the conversion rate on the purebred strains rather than on the crossbred strains because in that regard, as you say yourself, you are in essence really guessing. Is there any thought of testing the purebred strains?

Dr. Rasmussen: At the present time no. We feel that in terms of ultimate efficiency the crossbreds are going to be the deciding factor because all the evidence to date is that you get higher efficiency in total by using crossbreds than you do by using any of the purebreds alone, and we feel that we can get the measure of the effectiveness of the breed in crossing without necessarily testing the purebreds.

Mr. Horner: Well, I think it would be wise to run a test on the purebreds too from the point of view that then you would know exactly what you are crossing. For example, if you were crossing a cattle strain or cattle breed with a low conversion rate, lower than some other strains, you would not really be placing yourself in an advantageous position, and I would recommend to the Department that they give some thought to running some tests on the conversion rate of purebred strains.

Mr. Chairman: I would like to leave the cattle question for a minute and go to the alfalfa problem which causes bloats, I think it is S-18. Have there been any further tests to try and develop a strain of alfalfa without the bloat-causing protein factor in it?

Dr. Woodward: Mr. Chairman, the isolation of this S-18 protein factor in alfalfa is an interesting project, it being the primary cause and agent of bloat. Methods developed now are going into use in our breeding programs. We have methods for determining this protein fraction. I might say that there has been a great deal of interest around the world in this development. One of our chemists who has been on this program is now spending a year in New Zealand where they have also had a great deal of experience with bloat. Their animals seem

to bloat up even easier than they do in Canada, so that it is an ideal place to study bloat.

Mr. Horner: Has there been a strain of alfalfa developed in the United States which is relatively pure? I think I read something somewhere—perhaps in Denver—about there being a strain.

Dr. Woodward: It has not come to my attention sir, but there is a screening going on using the methods that have been developed at Summerland.

Mr. Horner: I have one further question on this bloat problem. There is a block put out in the United States with a mixture of molasses in it and there is an anti-bloat factor in the molasses. Have any tests been undertaken by the Department to ascertain whether if these blocks are placed in an alfalfa field bloat will be eliminated?

• 1105

Dr. Woodward: Well there have been a great many antidotes for bloat, sir, over the last fifty years, and different management procedures have been suggested. We have tested and experimented with these but our principal effort has been to try to determine just what agent causes bloat and to get at the root cause.

Mr. Horner: I realize that, but from the point of view of the product doing what the manufacturer and the sale promotion people say it will do, has the Department taken a look at what I described as a molasses block with an anti-bloat factor in it?

Dr. Rasmussen: I cannot answer that specifically. We have been testing a number of bloat preventatives in recent years but I cannot be sure of this particular one.

Mr. Horner: This is a new one that has come out in the last two years, I would say. It has been used in the United States for the last two years and it came up to Canada last summer.

Dr. Rasmussen: Not that I know of.

Mr. Horner: Would the Department be interested in taking a look at it and running a test on it next summer? Of course, it would be pretty difficult to do now unless you had some real green alfalfa.

Dr. Rasmussen: Certainly, Mr. Chairman, we would look at it to see what we might be able to do.

Mr. Williams: I can say this, Mr. Horner, that we would be prepared to undertake to look at it both from the research standpoint and from the regulatory standpoint, as to whether or not there may be certain elements. I am glad you brought this to my attention. It may be that our people have already done so.

Mr. Horner: It may be.

Mr. Williams: We will report further on it.

Mr. Horner: Thank you. I have no further questions.

The Chairman: Thank you, Mr. Horner. I recognize Mr. Gleave, Saskatoon-Biggar.

Mr. Gleave: I note from this little book here that you record only one man at work on cereal breeding in the Province of Saskatchewan. That is Dr. Hurd at Regina. Is he presently at Regina or is he still in Nigeria?

Dr. Woodward: He is still in Kenya. He is in Njoro in Kenya.

Mr. Gleave: How long has he been in Kenya?

Dr. Woodward: Approximately two years, sir, one and a half to two years.

Mr. Gleave: Has he been replaced? Is there now a man of his calibre in Saskatchewan on wheat research?

The Chairman: Gentlemen, may I draw to your attention that we are losing our quorum. Would you be able to stay, Mr. Lind, for a few minutes?

I realize there is some competition from other committees that are important, but as agreed last week we will break off at 11.30, which leaves as another fifteen minutes or so. We will proceed with your question, Mr. Gleave.

Dr. Rasmussen: The answer to the question is that Dr. Hurd is not back yet. He is still in Kenya and possibly will be there for some time yet. We have recently recruited a new man. Actually, we are transferring the work on wheat breeding from Regina to Swift Current for various reasons, and we have recruited a new man—I am not sure if he is at Swift Current yet but he will be there very shortly—to strengthen our total program. On the return of Dr. Hurd we will then have this new man as an addition. So, about next year we will have two men in Swift Current rather than the one.

Mr. Gleave: You have come to the conclusion that one man in Saskatchewan on wheat breeding is not enough?

Dr. Rasmussen: Yes.

Mr. Gleave: I note by this book that in total you have one man on winter wheat and one on spring wheat in Alberta. On common wheat you have one man in Manitoba and one man on wheat genetics in Manitoba. Is there only one man working on wheat genetics in the three Prairie Provinces?

• 1110

Dr. Rasmussen: Strictly in terms of wheat genetics this is not quite correct, in that we have two cytogeneticists at Lethbridge and we have one cytogeneticist at Winnipeg, in addition to the men that I think you are referring to. So that, in fact, we do have a stronger complement working on the genetics of wheat than would be indicated by that one man.

Mr. Gleave: Of course, all these things are comparative, but the reason I am asking these questions is that the general information I have at home is that our program in basic research on wheat is far short of what is desirable. Of course, perhaps I would not be justified in asking you whether that is so. With all due respect, Mr. Chairman, he may suit himself whether he answers that question, but in my opinion it is far short of what is desirable, especially when we have been short one in Saskatchewan for this length of time.

Another question I would like to pursue is what work has been done or is being done on the development of a winter wheat testing and breeding program in the Province of Saskatchewan?

Dr. Rasmussen: Mr. Chairman, in answer to the last question on winter wheat, we do not have a major definite program on winter wheat for Saskatchewan as such. We have centred our winter wheat program in the West at Lethbridge. The material coming out of Lethbridge is being tested in Saskatchewan. So, there is new material coming in there and it is being tested in Saskatchewan, and we feel that in view of the acreage presently given to winter wheat and recognizing the fact that this could be increased with certain changes in the winter wheat, that this is all that we can afford at the present time.

Mr. Gleave: That is all that can be afforded. How long has this winter wheat testing program been going on in Saskatchewan?

Dr. Rasmussen: I am afraid I cannot answer that question, sir, at the present time.

Mr. Gleave: My information is that several years back there was a short period of testing at Melfort and this was dropped and now, Mr. Chairman, as the speaker says, it is being picked up again at Saskatoon. The reason I am interested in this question is that from very sketchy information I would think that it might be possible that we could use winter wheat in parts of Saskatchewan—surprisingly not the south but the northeast, but this work has not been done and I am concerned about it. There is talk of developing spring wheats that can mature fast and yield more, and so on. If a winter wheat could be developed it would be cheaper, it would fit our climate better and it

would give better yields. As to the yield factor, of course, I think generally with winter wheat you do better. I am concerned about the real lack of money going in. It is said that we cannot afford it. We cannot afford not to do this kind of research. I suppose in point of fact, Mr. Chairman, I may have pursued it as far as I can, but I hope that some real consideration will be given to this. I notice that there is no increase in these estimates for this kind of research and to expect our people to do a job without money just does not go. Would the officials agree that much more money should be spent on cereal research, especially—I would not say especially wheat; other crops are equally important.

• 1115

Dr. Woodward: Mr. Chairman, we certainly appreciate this support coming from Mr. Gleave and we are diverting some resources. There just are not extra resources, but we are diverting some resources, as Dr. Rasmussen pointed out, building up cereal research both in breeding and in physiology at Swift Current. If we can take the time I think Dr. Hamilton could give Mr. Gleave some historical information on winter wheat that might be useful.

The Chairman: Dr. Hamilton?

Dr. Hamilton: I would only say, Mr. Gleave, that I can remember back to 1950 or 1949—and certainly winter wheats were being tested in Saskatchewan then—and quite apart from your question on increases of money, I think the core of the whole problem in winter wheat in the West is, how do we get an increase in winter hardiness itself? I think until Lethbridge can locate whether it is from the wheats from Russia or the wheats from some other part of the world, or even by trying to wring it out of the different genetic combinations we can make ourselves and with the Americans, that the core of the whole problem, the key to it, is to get more winter hardiness that will then take us into other areas. I think if we got it you could not stop us, surely, from being all over the place seeing what this would do. The core of it is to get more winter hardiness and basic genetic ability into the wheat plant so that it can go farther afield than Southern Alberta.

Mr. Gleave: Thank you, and may I suggest also that I think a very considerable amount of attention needs to be paid to cultural methods; that is, there has not been the experimentation with the growing conditions. Now, you plant winter wheat on the bald old prairie on a piece of summer fallow and you have to be extremely lucky for it to survive, but I think there has not been enough experimentation to see what could be done in cultural methods so that winter wheat might survive in the areas where there is a record

of snowfall, where it is ridged into stubble and these sorts of things.

I think experimentation should be going forward on this level at the same time that it is going forward on development of varieties. I, of course, would have to agree altogether that the variety is probably of prime importance but also the environment is of importance.

The Chairman: I am sure we are all agreed that this an important point and that our witnesses have taken cognizance of the Committee's concern for this particular problem and will take it under advisement.

Mr. Gleave: May I ask one more question? We do not have enough men; other than that, is sufficient equipment available at these experimental stations and at the university to use efficiently the manpower that we have there?

Dr. Woodward: Mr. Chairman, I think we have made good use of the facilities at our disposal in development of methods of handling our cereal-breeding program—and we have devoted a considerable part of our engineering resources to introducing labour-saving types of equipment that would facilitate and permit carrying larger populations and broader investigations.

The Chairman: Thank you, Dr. Woodward. I now recognize Mr. Roy of Laval.

• 1120

Mr. Roy (Laval): Mr. Chairman, as you know we are using more and more vegetable protein products for animal feed. Is it the intention of the Department of Agriculture to push the industrial production of rapeseed, soybean and, as my other colleague mentioned, corn? Two years ago, I think, the Trade and Commerce department pushed the use of rapeseed.

Another question is about organic soil in the metropolitan area. We have lost a lot of acreage for vegetable production and, on the other side, we have 15,000 acres of organic soil that is not in production now. We have a station, the experimental farm at St. Clothilde, that has made a wonderful job on organic soil, but I think that station is now inoperative.

I think Dr. J. J. Jasmen now has another responsibility and I do not know whether you have replaced this man. I think we have another 50,000 acres of potential in this area and I am just asking whether it is the intention of the Department of Agriculture to push organic soil production in this area.

Dr. Woodward: We do not promote production. We do research in areas where we feel that there

is good potential to increase production so that we have a very comprehensive research program in our Department. Also we support research in the universities on rapeseed and we have been very much in the forefront in the development of the information which has lead to the great increase in rapeseed production.

Now, the same is true of corn. We have a program on soybeans. For example, in addition to our program in Southwestern Ontario at Harrow we have a program at Morden in the hope that if we could develop a soybean which would adapt itself to the long day length on the Prairies it could have great potential as an oil seed crop.

Mr. Roy (Laval): It is not production that I am concerned with but a soil test to determine whether this can be adapted for production of rapeseed in Quebec. Is the soil adaptable to this production?

Dr. Woodward: Yes, we can grow rapeseed in Quebec, sir, and we do. And we do adaptation tests on rapeseed and make the information available to the Quebec farmers. Now, concerning the horticultural program on organic soils, certainly our program over the years has shown that they have great potential and, as a matter of fact, the industry has now demonstrated that they have great potential in vegetable production. As you know, sir, we have established St. Jean as a horticultural research centre, and we have the substation at St. Clothilde and one at l'Acadie on mineral soils and we are, as fast as circumstances permit, building up a staff for all-round horticultural research at St. Jean.

One of the big limitations has been the availability of professional people but we have, for example, people like Dr. Hamilton there who is one of our outstanding soil scientists as well as a plant breeder who are working toward maximizing the use of organic soils in the production of vegetables.


• 1125

The Chairman: Thank you, Mr. Roy. Now, I still have two questioners on my list; Mr. Muir and Mr. McKinley. I was hoping that there might be some disposition of the Committee to conclude our consideration of these estimates—Votes 5, 10 and 12—this morning and then we might probably, between now and our next meeting, find an opportunity to accept your invitation, Dr. Woodward, and have a look at the research establishment. Would it be the disposition of the Committee to endeavour to do this this morning, if possible? I do not want to railroad. I am prepared to recognize Mr. Muir, Lisgar.

Mr. Muir (Lisgar): Mine is on this particular section, Mr. Chairman. I notice that under grants to the universities this year, you are going to spend

\$800,000. Last year it was \$625,000. This is the grants to all the universities across Canada, I imagine, as well as to other research institutes. And I am concerned about the comparatively small amount that has been allocated to research on grains. The reason I say this is because of the research that the University of Manitoba has gone into on the new variety of triticale. This research program has been going on over the past number of years, three or four years. I would hope that it was done through the co-operation of the federal Department of Agriculture. I am quite sure it is. However, it has been handled by the university extension, and extensive field work has been done on this particular variety. I think the time has come when it should now be possible to evaluate the program and to know to what extent it has been successful. My first question is, has a variety of this particular grain yet been developed that will show consistent high yields and, if so, will this variety be licensed for sale in Canada within the foreseeable future?

Dr. Woodward: Mr. Chairman, first on grants to universities, we had a five-year forecast of building up our grants to universities with the idea that these had two purposes. One was to integrate the national research program and to improve the balance of the program in relation to problems, and the other was to promote the education of research scientists in the fields in which we needed them. So that our increase from \$625,000 to \$800,000 represents our projected trajectory to achieve an increase of \$175,000 a year for five years. The development in regard to triticale has been of great interest to us all. The initial crosses for this development were made by the University of Manitoba and it is a University of Manitoba project. This is a cross between two species, the Durham wheat and rye. It takes a period, from this sort of cross, of from five to 10 years after the cross is made to select for desirable agronomic characteristics and for resistance to disease. These would be the overall limiting factors in the production of a crop, and in triticale we still have a great amount of diversity in material available and some disease problems. We are working very closely with the University of Manitoba in both testing all the available materials that there are on a very wide basis, and also in testing for agronomic characteristics in the yield. Also we are supporting research on the nutritive value of triticale, the relative value of it in livestock rations. I do not believe, sir, that we are at the stage today when we have a triticale which would be of superior value to our producers in relation to our other feed grain crops, but we are very optimistic that within the foreseeable future triticale will be

developed and selected at the stage where it will have a place among our other feed grains. 

• 1130

Mr. Muir (Lisgar): The question leading out of that then is, has it any value other than for animal feed? Is it possible that it could be developed into an exportable grain, as a bread grain?

Dr. Woodward: Yes, I think there are distinct possibilities here, sir.

Mr. Muir (Lisgar): Then, because of its very high yield and the value that it would be to the Western farmer, would it not be possible to push this program a little harder than we have been doing? I know it would take more money, but it is a comparatively small amount when you consider the value, if the thing is developed to the point where it could replace our bread grains on account of the very high yield. I think it is one area where—and I am not mentioning particularly your Research Branch—the people in Agriculture could do a service to Western Canada, if they developed this thing. You said 10 years. I would hope at least within the next three years.

Dr. Woodward: I would hope so, too, sir. There is much work going into triticales to keep abreast as fast as we can go in making the selections in our generations of the crop, and to my knowledge there are no selections that we have today that are really superior in yield—when we put it on an extensive test at a number of locations—to our other cereals. But I am optimistic that there will be.

Mr. Muir (Lisgar): Is this program being developed to the point where you are sending it to Mexico to be grown there during the winter?

Dr. Woodward: Yes, sir.

Mr. Muir (Lisgar): It is being grown in Mexico?

Dr. Woodward: I believe it is.

Mr. Muir (Lisgar): My final question, then. What are your hopes for this particular grain, as a marketable grain not only domestically but for export?

Dr. Woodward: Gentlemen, you know that research people are loathe to make predictions as to the success of research. The consensus is that there is potential there, and potential is worth mining or else we would not be putting so many resources, university and our own resources, into trying to make progress.

Mr. Muir (Lisgar): One question, I think, would be interesting to the Committee. What is the comparison, the protein content of this grain, let us say, in comparison to our hard wheat?

Dr. Woodward: It is a little lower in protein than our wheat.

Mr. Muir (Lisgar): Lower? I thought it would be higher. I was given to understand it was higher, but maybe my information was wrong.

The Chairman: I recognize Mr. McKinley from Huron for a brief question.

Mr. McKinley: First I would like to say, Mr. Chairman, that I, for one, appreciate the invitation that has been extended to us to visit the facilities out here, and I believe that we certainly should take advantage of it. I would also like to say to these gentlemen here, and especially to the Deputy Minister, that as a member I appreciate the assistance that we get from time to time with constituency problems. I have some questions concerning poultry diseases.

The Chairman: Could we deal with that under "Health of Animals"?

Mr. McKinley: I just wonder if it would be better under the Health of Animals branch?

The Chairman: If this is agreeable, we will give you a priority on "Health of Animals".

Mr. McKinley: If I happen to be away, could it be put off until I...

The Chairman: We will endeavour to co-operate with you.

Mr. McKinley: Thank you. I will let it go for today, then.

• 1135

Mr. Cobbe: I would like just one question to clarify the doctor's remarks. Did he indicate that time was a more serious problem with the triticales than the money aspect of it?

Dr. Woodward: Yes, sir, I believe the limiting factor today with triticales is the time required to do the research.

The Chairman: Thank you.

Mr. Muir (Lisgar): I used the wrong word, Dr. Woodward, I said protein instead of nutritional value. There is a difference. Do you know of the difference?

Dr. Woodward: There have been only a few tests. They were done just last year where we had triticales in sufficient quantities of any selection that we could evaluate.

Mr. Horner: The Hutterites in Western Canada grow a grain which is unsalable in Canada. It is

a kind of wheat, a cross between wheat and barley. Has the Department at any time taken a look at that variety? It is grown in and around the Bassano area and they sell it to the feedmill there and it is ground up.

Dr. Woodward: Dr. Hamilton, would you—

Dr. Hamilton: I do not know about it. I am really quite surprised; you said it was wheat and barley?

Mr. Horner: Well, I remember looking at it, and it was whiter than wheat and plumper than wheat as a kernel. It looked more like barley to me, but it did not have the rough husk that a barley kernel has. They claim it has a high yield.

Dr. Hamilton: I do not know what it is.

The Chairman: Maybe we could take that one under advisement and get a question before the member.

Mr. Douglas: There used to be a grain grown when I was young that was called spelts, and it sounds something like this. Emmer, I think, was another name for it.

The Chairman: Gentlemen, may I recognize Mr. Pringle for a quick question?

Mr. Pringle: This relates to my question regarding the vegetables in Prince Edward Island and especially Brussels sprouts. Is there anything being done regarding Brussels sprouts? There is a rot that develops in Brussels sprouts which is not visible to the naked eye until you cut it open, and it is creating a terrible problem down there. I was wondering if there was anything being

done on that and if that could be noted? That was all.

Dr. Woodward: We will certainly note it, sir. Dr. Hamilton, do you have anything to add to this?

Dr. Hamilton: I do not have any information on that particular disease, but our research station at Charlottetown is working very closely with the processing companies on the management aspects of Brussels sprouts and how to grow them, the fertility requirements. We certainly have people there who would be able to do something about this disease if it really is a problem that needs attention.

The Chairman: Gentlemen, on your behalf may I thank Mr. Williams, Dr. Woodward and the other officials of the Department who have graciously attended our meeting this morning. We appreciate very much your willingness to answer and discuss all matters concerning the Committee.

Items 5, 10 and 12 agreed to.

The Chairman: Gentlemen, I thank you very much. That concludes the business of the meeting for this morning. We will meet next Tuesday morning at eleven o'clock in room 209. We will advise you if we are able to arrange the trip to the research station before that, or in the meantime.

This meeting is adjourned at the call of the Chair. We will call the marketing items 15 and 17 next Tuesday morning—production and marketing.

Thank you, gentlemen.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament
1968

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

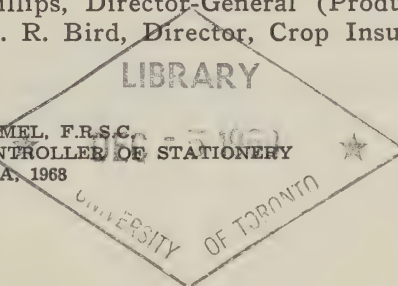
TUESDAY, NOVEMBER 5, 1968

Revised Main Estimates (1968-69) relating to Agriculture

WITNESSES:

From the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing); Mr. C. R. Phillips, Director-General (Production and Marketing Branch); Mr. W. R. Bird, Director, Crop Insurance Division.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968



STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (*Lac-Saint-Jean*)

and Messrs.

Barrett,
Clermont,
Cobbe,
Côté (*Richelieu*),
Douglas,
Foster,
Gauthier,
Gleave,
Gundlock,
Horner,

Howard (*Okanagan
Boundary*),
Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lefebvre,
Lind,
McKinley,
Muir (*Lisgar*),
Noble,

Peters,
Pringle,
Roy (*Laval*),
Smith (*Saint-Jean*),
Southam,
Stewart (*Okanagan-
Kootenay*),
Thomson (*Battleford-
Kindersley*),
Whicher,
Yanakis—(30)

Michael A. Measures,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, November 5, 1968.

(4)

The Standing Committee on Agriculture met at 11.16 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Côté (*Riche-lieu*), Douglas, Foster, Gleave, Gundlock, Howard (*Okanagan Boundary*), La Salle, Lefebvre, Lessard (*Lac-Saint-Jean*), Lind, Muir (*Lisgar*), Peters, Pringle, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Stewart (*Okanagan-Kootenay*)—(21).

Also present: Mr. Whelan, M.P.

In attendance: From the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing); Mr. C. R. Phillips, Director-General (Production and Marketing Branch); M. W. R. Bird, Director, Crop Insurance Division; Mr. J. C. Moffatt, Director, Administration Division; and others.

The Chairman reported that arrangements had been made for members of the Committee to visit the Department's Animal Research Institute, Central Experimental Farm, Ottawa, later this day.

The Chairman called items of the 1968-69 Revised Estimates relating to Agriculture as follows:

PRODUCTION AND MARKETING

Administration

item 15	Administration, Operation and Main-tenance etc.	\$ 2,448,800
item 17	Grants etc.	144,750,000

Animal and Animal Products

item 20	Administration etc.	8,478,500
item 25	Grants etc.	7,908,400

Plant and Plant Products

item 30	Administration etc.	8,394,400
item 35	Grants etc.	130,000

The Chairman introduced Mr. Williams who, in turn, introduced those others in attendance.

Mr. Williams tabled a document as follows:

Vote 5, Research Branch, Estimates 1968-69 (Extracts to show relationship between estimate provision and cash value of crop.)

On motion of Mr. Muir (*Lisgar*),

Resolved,—That this document be appended to today's Minutes of Proceedings and Evidence. (*See Appendix B*)

Mr. Williams read two brief statements on, first, brussel sprouts in Prince Edward Island, and second, productive corn hybrids.

On motion of Mr. Barrett,

Resolved,—That the two statements be appended to today's Minutes of Proceedings and Evidence. (*See Appendices C and D respectively*)

Mr. Williams was questioned briefly.

Mr. Phillips gave a statement summarizing the operation of the Department's Production and Marketing Branch.

Mr. Williams was questioned, assisted by Messrs. Jarvis, Phillips, Bird and Moffatt.

The questioning having been completed, the Chairman thanked the witnesses and the others in attendance.

Items 15, 17, 20, 25, 30 and 35 were carried.

At 1.01 p.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday November 5, 1968

The Chairman: Gentlemen, we have a quorum. First of all, I want to remind you of our trip to the Research Institute this afternoon, leaving the South door of the West Block at 1.30 p.m. sharp. I would hope that we might be able to conclude consideration of the estimates before us this morning by 1.00 o'clock in order that we might have a half an hour to have a bite of lunch and be ready to leave at 1.30 p.m. sharp.

We will be calling Items 15, 17, 20, 25, 30 and 35 of the estimates, which you have before you. We are pleased of course to have the Deputy Minister, Mr. Williams and a number of his departmental officials, and I would ask Mr. Williams to introduce the departmental officials to you at this time.

Mr. S. B. Williams (Deputy Minister of Agriculture): Thank you, Mr. Chairman. On my immediate right is Mr. Jarvis who is the Assistant Deputy Minister of Production and Marketing and Health of Animals; to his right, Mr. Phillips, the Director-General of the Production and Marketing Branch whose votes we are considering today; and to his right, Mr. Moffatt, the Director of Administration of the Production and Marketing Branch.

On the far side are the chiefs or directors of the various sections whose votes you are going to consider this morning. Starting at the end closest to me are Mr. Ken Savage, Director of the Dairy Products Division, and Mr. Grant, Director of the Fruit and Vegetable Division. Then we have two people from the Livestock Branch, Mr. Baird and Mr. Locking—one is Chief of Marketing and the other Chief of Production Services. Then we have Mr. Savage, Acting Director of the Plant Products Division; Mr. Clement, Director of our General Services Division; Mr. Davey, Director of the Poultry Division; Mr. Bird, who is Director of Crop Insurance and has the Ottawa responsibility for the Administrative Services of PFAA; and Dr. MacLachlan, Director of our Plant Protection Division.

The Chairman: Thank you, Mr. Williams. The witnesses are present, gentlemen.

Before we proceed to question the witnesses, there were two or three items of business left over from the last meeting. Certain questions had been asked and Mr. Williams assured us that he would endeavour to obtain the answer. I would ask Mr. Williams to give you those answers now.

Mr. Williams: We were asked by the Chairman to submit information in respect of our research vote and compare it with the cash receipts from farm operations falling roughly in the same area.

This is a statistical table and with your permission, gentlemen, rather than try to read it into the record I will simply submit it for the record.

The Chairman: Could I have a motion to have this statistical table appended to the Minutes of Proceeding and Evidence?

Mr. Muir (Lisgar): I so move.

Mr. Gundlock: I second the motion.

Motion agreed to.

Mr. Williams: A question was asked by Mr. Pringle of Fraser Valley East concerning Brussels sprouts and a disease condition associated with Brussels sprouts in Prince Edward Island. I will read this answer that has been provided by the Research Branch:

See Appendix C in this Issue.

Mr. Lind, Middlesex, asked a question concerning special use of corn and the possibility of the development of a shorter seasoned corn with higher relative productivity rates. The answer as supplied by the Research Branch is as follows:

• 1120

See Appendix D in this Issue.

The Chairman: Is it the wish of the Committee that these statements be appended to our Minutes of Proceedings and Evidence?

Mr. Barrett: I so move.

Mr. Pringle: I second the motion.

Motion agreed to.

Mr. Muir (Lisgar): Excuse me, Mr. Chairman, what sections do you intend to discuss this morning?

The Chairman: We are starting at Item 15, Production and Marketing, and going through to Item 35.

Mr. Muir (Lisgar): Thank you.

Mr. Williams: I have two questions that I wish to answer orally.

The first is an inquiry about the amount of meat that has been condemned in the past 12 months because of stilbestrol-content. The answer, as provided by the Health of Animals Branch, is that their records indicate that no meat has been condemned in Canada within the last 12 months due to the presence of this hormone.

The other question was one by Mr. Lefebvre about the possibility of the Department supplying bulls to bull clubs or grazing associations in Pontiac County.

Our answer to that question is that we do have a policy whereby if a bull club is set up we can loan one bull to a group of five or more farmers if none of these farmers have enough cows to warrant their maintaining a bull of their own.

In the event that a grazing association is set up, where a group of farmers works co-operatively in one area, we are able to provide one or more bulls based on the number of breeding associations, the number of breeding females in the association pasture, and the number of members with small herds—and we consider as small a herd of 25 cows or less. The Department provides the first bull and every second bull thereafter, up to the number required to provide adequate coverage.

We have had an application from a group of farmers in Pontiac County and the information we are passing on to them is that their application will be considered for next year.

Relative to the specifics of the breed of bull, the Department is somewhat concerned, for two reasons, about the choice of sires. One is the relative cost of bulls of this breed, and the other is that there are troubles associated with calving when these bulls are used on relatively small female stock. We feel

that these problems may be increased if farmers with small herds are faced with them, as opposed to those with larger herds who possibly are better set up to handle problems of this nature.

This does not mean that we are, at this point, refusing a bull of this breed, but we are taking this into consideration in reaching a decision. However, it is definitely under consideration for next year.

Mr. Lefebvre: May I ask a question of the Deputy Minister? Will you be giving a copy of this reply to this group of farmers who have applied, Mr. Williams?

Mr. Williams: Essentially this reply will go to them, yes.

Mr. Lefebvre: Thank you.

The Chairman: Mr. Gleave.

Mr. Gleave: Mr. Chairman, I want to ask for the benefit of those who are translating for us, when the proceedings of these meetings will be available? We have had two meetings and we have not as yet received any copies of the proceedings.

• 1125

The Chairman: The answer is soon. It is in the hands of the printers and translators and as soon as it is made available it will be in the hands of the Committee.

Mr. Gleave: Mr. Chairman, at the last meeting I asked certain questions about cereal research and some answers were given by the officials who were here. I wish to go further into that at some future time.

I would have raised it at this meeting but the transcript is not available, and in order to pursue it intelligently I would have to see the verbatim report of the answers I received. When the transcript is out would it be possible to have these men reappear before this Committee so that this matter can be pursued?

The Chairman: The research estimates have been carried, but we will be going back, as you will recall, to Item 1. That would be the opportunity for you to raise this question. If you give us notice in advance we will endeavour, with the co-operation of the Department, to have the appropriate officials present.

Mr. Gleave: All right; thank you.

The Chairman: Gentlemen, I will recognize you in order, in so far as that is possible. I am going to ask Mr. Phillips to make an opening statement, and then I have on my list Mr. Pringle and Mr. Muir.

Mr. C. R. Phillips (Director-General, Production and Marketing Branch, Department of Agriculture): Thank you, Mr. Chairman.

Gentlemen, we thought it appropriate to give you a brief rundown of the operation, and some of their activities, of the Production and Marketing Branch before we started.

This Branch is organized, under the Assistant Deputy Minister, into six divisions and two sections. The Directors of these divisions have been made known to you. We have the Dairy Products Division, the Fruit and Vegetable Division, the Livestock Division, the Poultry Division, the Plant Products Division, and the Plant Protection Division. In addition, we have the Markets Information Section and the Consumer Section. The General Services Division, which we had, is now on its way out, with the transfer of the Retail and Inspection Section to the Department of Consumer Affairs.

The main activities of the Branch are the grading and inspection of agricultural products; the control of quality of major items of agricultural input, such as seeds, feeds, fertilizers and pesticides; the protection, against the introduction of insects, pests and diseases, of field crops; and the recording of performance programs in the dairy, beef and swine areas.

Another activity in livestock has to do with stockyards, and these are generally the terminal stockyards, the agents of which we control. There is also assistance to agricultural exhibitions and fairs, and quality premiums on hogs and lamb.

In the poultry area we have a central test station for testing both the egg and meat breeds of poultry. We have another program in developing breeding strains of poultry, and, as indicated, we have the Markets Information and the Consumer Section.

The establishment in the current year is about 120 less than a year ago. Apart from the area of stabilization the funds provided this year are slightly over \$4 million less than a year ago, although the stabilization funds have been considerably increased.

• 1130

Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Phillips.

I recognize Mr. Pringle (*Fraser Valley East*).

Mr. Pringle: Mr. Chairman, we are on Production and Marketing and I really do not have any questions this morning with regard to production because it is my opinion that production has been very, very well taken care of—as a matter of fact, especially well—by the Canadian Department of Agriculture over the years.

Part of my question, which has to do with marketing, has already been answered. The Department of Consumer Affairs appears to have absorbed the Agricultural Marketing Division. That is a pretty broad statement and I am just wondering whether we should clarify it a little bit more and find out just what part of the Marketing Division has been absorbed, and if the decrease of \$712,400 is based on this. If so, I am wondering if this decrease in money is justified in view of the possible increase in the cost of administering in the interests maybe of producer affairs. The term “consumer affairs” seems to have slipped in. It is our understanding that the interests of Canadian farm producers are correctly under the wing of the Department of Agriculture and I am wondering if a reappraisal of the policies governing producer protection is now justified to enable producers to serve consumers without losing their shirts, so to speak.

Then I would like, if I may, to ask a question or two about the Agricultural Stabilization Board. I think that there are indications that show that the farmers are finding government subsidies, with a few justified exceptions such as manufactured milk, are becoming less popular. I would like to point out, if I may, that I am referring here to products which lean heavily on the domestic market and are not for export. It seems to me that there is a division which we should really consider. There are farm products which must depend on the export market and there are those which have to depend mainly on the domestic market, and I am wondering if sometimes we really take this into consideration.

Are subsidies not becoming less popular as a concept of stabilization, and is it not a fact that government subsidies as such have really

failed to stabilize prices? They have contributed heavily to costly surplus production and have in fact encouraged to a degree under price supports corporate farming which takes advantage of a guaranteed profit because of a floor price. As I understand it, a floor price is one under which a man can operate.

As a result of the transition from diversified to specialized farming, is it not a fair assumption that farmers are now leaning heavily toward the concept of planned production, quality control, consumer acceptance and sales promotion to establish their prices more in line with prices that are based on cost of production and competition in other comparable foods rather than continuing to produce a surplus and by so doing accept the prices that are offered to them by secondary industry?

Another subject I want to raise has to do with international competition. If I may, I would just like to read from page 81 of the report of the Economic Council of Canada:

Despite this massive reduction of agricultural employment, the volume of agricultural production has not declined...

in Canada.

Indeed, over the past two decades, the volume of total agricultural production has increased...

in Canada.

...by roughly 50 per cent. This...has resulted in a tripling of output per worker in the agricultural sector.

Now on page 86, it says,

Over the past two decades, output per farm worker...

Although it has tripled.

...has been consistently lower in Canada than in the United States.

And it continues:

In terms of net value of production per worker, Canadian farmers produce on the average 25 per cent less than U.S. farmers. In terms of gross value of production, the disparity is about 35 per cent."

• 1135

I am relating this to the international competition. My question relates to the fact that there is really very little disparity between Canada and U.S.A. related to technological

exchange. In fact in turkey production almost 100 per cent of the breeding stock is imported into Canada annually. And is it not evident that the real problem contributing to this disparity, as explained above, is the disproportionate volume of production and consumer population? Since the disparity is reduced to dollars and cents above would not the usual principles of business cost accounting reveal that in order to narrow the economic gap, and I say it facetiously, it would be necessary either to increase Canadian population to 200 million or decrease the United States population to 20 million, or establish a program of equalization through tariff adjustments?

The Chairman: Thank you, Mr. Pringle.

Mr. Williams: The questions that Mr. Pringle has raised are very far-reaching ones and I think we are going to have to try and segregate them somehow in order to try and arrive at those answers which we can provide at the present time.

I believe one of the first points that Mr. Pringle raised was a factual one in respect of transfers from our production and Marketing Branch into the Department of Consumer and Corporate Affairs, and I think I would ask Mr. Phillips to give the factual answer to that question.

The Chairman: Mr. Phillips.

Mr. Phillips: On the question of transfer of personnel to the Department of Consumer and Corporate Affairs, effective November 1 a portion of the Retail Inspection Section—not Marketing—which is part of the General Service Division, went to the Department of Consumer and Corporate Affairs. Now that section of ours was set up to do work on behalf of farmers in the inspection area at the retail level and by using this class of inspector we felt that we were reducing costs because we could have what we call ambidextrous inspectors looking after numerous commodities in the retail stores. In examining the number to go we retained that portion of the section which gave assistance to other divisions on work other than retail inspection. The net result was that 91 positions were transferred to Consumer Affairs with a budget of about \$637,000. It is not in the marketing area per se, Mr. Pringle, it was in the retail inspection.

Mr. Pringle: And that accounts for part of the \$712,000 decrease, does it?

Mr. Phillips: Yes, \$637,000 of that was a transfer that will appear in the Blue Book under Consumer Affairs.

The Chairman: Are you finished, Mr. Phillips?

Mr. Phillips: Yes, thank you.

The Chairman: Thank you, Mr. Phillips. We will refer back to you, Mr. Williams.

Mr. Williams: I might take a little try at the question that Mr. Pringle raised in respect of the Agricultural Stabilization Board and its operation. I think that the questions that Mr. Pringle raised are very well chosen and very apt. These are problems that the Stabilization Board has been engaged with at the present time and has been over the past years. If I could try and summarize it, Mr. Pringle, I believe you raised the question as to whether or not the actions of the Agricultural Stabilization Board tended to increase surplus production and to increase the facility with which corporate farms might be developed. I think that my answer would have to be that while there may be some minor tendencies along that line the way that the Agricultural Stabilization Board is trying to administer its programs with the exception of a very few where we are in a great deficit position in this country, is through quotas or maximum limitations on production. The two exceptions at the present time are the support on wool and the support on sugar beets, in one of which we produce approximately 8 or 9 per cent of the total requirement in Canada, and in the other somewhere between 15 and 17 per cent of our total requirement in Canada.

● 1140

For the other active programs, up until recent years the dairy support program had been an open end program; it no longer is, and it really is the last open end program in which there appeared to be danger of producing surplus to Canadian requirements.

The same sort of answer applies to the question about corporate farms. I should say that "corporate farms" is capable of many definitions. If we call a corporate farm a non-family farm and, basically, a very large farm, our policies in the past, and currently, have been, in general, that these limitations on total subsidy payable to any individual entity tended probably to correct the situation that Mr. Pringle raised.

Mr. Pringle asked questions about international competition and planned production. I am going to ask Mr. Jarvis to say a word on that.

He also raised a question about the output per worker, and the relative productivity of Canadian agriculture as compared to that of the United States.

I would be the last one to wish to take issue with the Economic Council of Canada, but I would be less than fair to our farmers if I were not to say that there are many ways of measuring productivity. Possibly where we stand at the present time is perhaps somewhat less important than how fast we are trying to improve our position, or how fast our farmers are improving their position.

In this connection, I think it would be of interest to you gentlemen to know that a study done within the Department itself and published in 1966—and I will quote directly from that study—has used a different basis to arrive at this measure of productivity. This is a report that was published by Dr. I. F. Furniss in *Canadian Farm Economics* of April 1966, and I quote:

The rate of growth in Canadian farm productivity since 1935 has been 2.2 per cent annually compared with 1.6 per cent for United States farming. Since 1946, the rate of growth in productivity has been somewhat higher in Canada, about 2.6 per cent as compared with 1.4 per cent in the United States. In contrast with the slightly declining trend in Canadian farm inputs, United States farm inputs have increased fractionally over the 30-year period, about 0.3 per cent annually, but since 1946 there has been virtually no change in the volume of United States farm inputs.

And "productivity" in this case is defined as: ...the ratio of the index of output to the index of inputs with both indexes based on constant dollars.

Dr. Furniss, in doing this work, used 1949 as the base year. Basically what I am saying here is that these differences can be measured in different ways, and have different meanings depending on the way they are measured, but, irrespective of the position we may be in at the present time, we are making faster progress than possibly the Canadian farmer's counterpart in other countries of the world.

I have asked Mr. Jarvis to say a word about this question of international competition and the over-all area of planned production.

Mr. W. E. Jarvis (Assistant Deputy Minister—Production and Marketing): Mr. Chairman, Mr. Pringle has mentioned a particular trend towards more and more planning on the part of producers and towards more planning of production, promotion and quality control.

• 1145

In this general area I am certain that we can agree with Mr. Pringle that the primary emphasis in the trend, which is a very definite one amongst producers across the country, has been on the development of producer-marketing boards, or marketing commissions, in the various provinces. It is also quite accurate to say that among producers across the country there has been a considerable increase in the establishment, by one means or another, of national marketing boards and national marketing commissions.

As a matter of interest, it is worthy of note that there are some 54 marketing boards across the country which currently have in their possession a delegation of authority from the Canadian Department of Agriculture and the Agricultural Products and Marketing Board to give them the authority to exercise in interprovincial export trade the same powers that they can exercise within their own province or area of authority.

Similarly, six boards have authority to collect levies to assist them in their marketing programs.

Certainly this supports the notion that there is an increased direction and movement among producers and an increased consciousness of quality of production and of the necessity of getting together to serve markets adequately with a quantity of quality product. This certainly relates to our ability to compete in our own and in international markets.

That is my only comment in that regard, Mr. Chairman.

The Chairman: Thank you, Mr. Jarvis.

Mr. Pringle has a supplementary.

Mr. Pringle: My question relates to production cost. If I may say so, I am in agreement with the Deputy Minister that Canadian farmers are doing an excellent job, with the help, as I said at the outset, of the Canadian

Department of Agriculture which has done a fantastic job in assisting in the production of products in Canada. The farmers have responded.

I am concerned however, about whether we are applying the right judgment to the disparity between the fantastic volume of production available in the United States and the fantastic consumption available to consume this volume in the United States as related to our Canadian counterparts.

Do we not really require definite study and definite action to ensure that we are properly equalized? This we can only do, as I understand it, by a rather difficult negotiation period spent on tariff schedules. Can we have an answer to that question.

Mr. Williams: Mr. Pringle, perhaps I had better describe my reply as a comment rather than an answer.

The point you have raised is a very important one. I would like to add to it, however, that although it is true that their total productivity in the United States is approximately 10 to 12 times as great as that of Canada, we must also remember that because their population is approximately that much greater than Canada we have that much greater opportunity for a market.

There are certain segments of our agricultural industry that benefit greatly from the proximity of that market. Conversely, there are segments of Canadian agriculture that are from time to time adversely affected by the proximity of that huge amount of agricultural supply.

As you quite rightly point out, sir, it is a question of striking balances and of reaching some determination of what commodities we are best able to produce and compete with on the North American market, and what products have to be handled in a different manner.

You mentioned the point of increasing work being undertaken on this. This is one of the areas of work that the Canadian task force on agriculture has undertaken and I am very hopeful that as a result of their studies we may be able to present to Canadian agriculture some more definitive ideas or suggestions on this very important point that you have raised.

The Chairman: Thank you, Mr. Williams.

I recognize Mr. Muir (Lisgar).

Mr. Muir (Lisgar): I propose to address my question to Mr. Williams, Mr. Chairman, because as former chairman of the Stabilization Board I am sure he has all the answers.

• 1150

I notice that the amount to recoup the Agricultural Commodities Stabilization Board account is \$100 million for 1967-68 and \$144.5 million for 1968-69; and there is also another loss in the Agricultural Products Board of \$250,000 this year. What is the difference between these?

Mr. Williams: Between the two Boards, sir?

Mr. Muir (Lisgar): Yes.

Mr. Williams: First of all, I wish I could agree with you, sir, about my being the former chairman of the Agricultural Stabilization Board. I am still the chairman. The major difference between these two Boards is that they work to complement each other.

Under the Agricultural Stabilization Act there are nine mandatory commodities, and the Act requires that once a support program is put into effect in respect to these mandatory commodities it must be at a fixed level and must be in effect at that level for a minimum of 12 months. Under the Agricultural Products Board Act there is no such a restriction.

Possibly I can illustrate the use of them by an example. We have a support program for eggs. Under it the price at which eggs are to be supported by a deficiency payment is 34 cents a dozen. That 34 cents a dozen, once established, had to remain in effect for 12 months. However, because of local situations, and particular situations that arise from time to time during the year, it was considered desirable to further support the market by *ad hoc* purchases.

Under the Agricultural Products Board it is possible for the Board to be authorized to make purchases of agricultural commodities from time to time at any level at which the government might wish to make them, and they do not have to remain in effect for any length of time. Under the egg support program, when eggs reached a certain level the Agricultural Products Board could buy them at any location at any price that was authorized by the Governor in Council.

Therefore, one has the advantages of built-in guarantees in terms of levels and time and the other has the advantage of flexibility; and they are both used.

The Agricultural Products Board, incidentally, has further authority in that it is authorized to make purchases on behalf of the Government for government purposes and to implement inter-governmental agreements. For example, we sometimes purchase under it for food aid and then resell.

The Chairman: Have you a supplementary, Mr. Gundlock?

Mr. Muir (Lisgar): First of all, I would like to apologize, Mr. Williams. I had just promoted you to Deputy Minister. Having become that I thought that you had given up the job as Chairman of the Agricultural Stabilization Board.

What products are supported under the Agricultural Stabilization Board as of today?

Mr. Williams: There are the nine mandatory commodities that are under support at the present moment. Whether it is an active program or not, they are all supported at the minimum required by law, which is 80 per cent. These are wheat, oats and barley in areas other than those covered by the Wheat Board Act; and cattle, sheep, hogs, butter, cheese and eggs.

Additionally, there is at present a program on sugar beets...

Mr. Muir (Lisgar): Wool? Ontario corn?

Mr. Williams: We consider wool to be part of the sheep support. We have support for wool and for lambs but we consider it to be under the mandatory part for sheep. We have a program, which is still being terminated, for potatoes. That was under the Agricultural Stabilization Act, as well.

I think those are the only active ones at the present moment.

Mr. Muir (Lisgar): Under what act, then, is Ontario corn supported, or is it?

Mr. Williams: The action that has been taken by the government in respect of Ontario corn is under value for duty under the Customs Act, not under an act administered by the Department of Agriculture.

• 1155

Mr. Muir (Lisgar): What criteria do you use to support any additional products that producer organizations feel should be supported, at least temporarily, to overcome what may be a serious development that could, in a

relatively short time, wipe out that particular segment of agriculture?

Perhaps, I should go a little further and give, as an illustration, the old oil-seed industry of Western Canada. This industry, particularly the sunflower-seed industry in Manitoba, has been supported once since it was set up in Manitoba. At that particular time it cost the Federal Government approximately \$44,000, but it saved what I consider to be a very viable industry that has become one of the main cash crops to the farmers of Southern Manitoba.

This particular industry is in serious trouble at the present moment because we are allowing the importation, mostly from the USSR and the satellite countries, of vegetable oils and vegetable oil seeds. They are set down in Canada at below our cost of production.

I do not think this particular situation can last too long, so far as the industry is concerned, because if it goes on for another year there will be no oil seed industry left in Manitoba.

Can anything be done under the Agricultural Stabilization Act, or by the Department of Agriculture, to save this very important industry for that province?

Mr. Williams: Possibly my best approach to this, Mr. Chairman, is to try to answer the question relative to the particular commodity that Mr. Muir has raised as an example.

I think you will appreciate that the criteria used by the Agricultural Stabilization Board in determining what recommendations it is prepared to make on support programs will depend greatly upon the commodity. I may say that not only are sunflower seeds affected but also rapeseeds and soybeans.

The Agricultural Stabilization Board received representations from the industry in respect to support for these programs. The problem, as the Agricultural Stabilization Board assessed it, lay not with depression in prices caused by internal factors but because of external factors for the remedy of which other legislation probably existed. This was the view of the Agricultural Stabilization Board.

The Agricultural Stabilization Board therefore recommended that an interdepartmental committee be formed to study the entire question and to try to resolve this problem which, as you have described it, is depression

in prices brought on by the import of products at prices that bear a rather poor relationship to the prices that had existed in Canada previous to that time and, as a matter of fact, anywhere else in the world, I would presume.

This question is still under consideration and we are very hopeful that it will be resolved shortly. However, it did not appear to the Agricultural Stabilization Board that it was appropriate to use an indirect method of solving a problem for which a direct solution could be available to the legislation, if the facts were as the Agricultural Stabilization Board understood them. This, of course, is the reason, for the Agricultural Stabilization Board's recommending that an interdepartmental committee be set up; because the legislation that the Agricultural Stabilization Board felt was applicable was not legislation that was administered by the Department of Agriculture.

Mr. Muir (Lisgar): Are you thinking of value-for-duty legislation, or something like that?

Mr. Williams: Something related to it, Mr. Muir.

The Chairman: Thank you, Mr. Muir. I will acknowledge one supplementary. Mr. Gundlock indicated that he had one.

• 1200

Mr. Gundlock: I would like to ask Mr. Williams, Mr. Chairman, what are the criteria for maxima in support and what are the criteria for establishing a minimum? I think we all are, or should be, concerned with the minima. For example, if I do not produce so many dozen eggs, so much milk I get no support. It is the same old story—one side of the fence or the other. What are the criteria for the minima?

Mr. Williams: Mr. Chairman, one of the criteria that are used in establishing minima under the Act is the effort to assist producers although I should not say "assist";—it is probably the wrong word—to try to move the bulk of the support to the areas where, in the view of the Agricultural Stabilization Board, it is most needed; that is, to the areas that more closely approximate commercial production.

In the case of the minimum restrictions that the Board have put on, it has felt that there are two things involved. One—and this is of lesser importance, in the view of the

Board—is the actual administrative cost associated with making very, very small payments to people—payments that probably would be of little or no significance to them; and, secondly, the more important factor, that it wished to put the weight of its support where it believed it would do the most good in terms of stabilizing prices.

You will appreciate that the minimum that has been set by the Board for wool, for example, is 20 pounds, which represents the wool from perhaps three or four sheep; and I think it is difficult to reach the conclusion that a person with three or four sheep is really in the sheep business. In respect of eggs it is 1,000 dozen. I do not recall at the moment how many hens that represents, but it is not very many.

Mr. Pringle: About 400 hens, I think.

Mr. Williams: We can work that out. I thought it was considerably less than that.

However, those basically are the criteria that are used.

The Chairman: Thank you, Mr. Williams. A supplementary, Mr. Lind?

Mr. Lind: Through you, Mr. Chairman, to Mr. Williams.

You quoted a support price of 34 cents a dozen on eggs. Is there a support price on eastern oats, barley and wheat?

Mr. Williams: We will provide the answer to your question.

Mr. Lind: One further question. Is there any subsidy paid on rapeseed and sunflower seed that is brought into Eastern Canada to the railroads as far as transportation is concerned?

Mr. Williams: I am sorry, I did not hear the question.

Mr. Lind: Is there any subsidy paid on subsidizing of transportation for rapeseed and sunflower seed from Manitoba, shall we say, that Mr. Muir was talking about, to Eastern Canada?

Mr. Williams: Rapeseed, I believe, is eligible for the Crows Nest Pass rate and the sunflowers are.

Mr. Lind: They are both considered at Crows Nest Pass rate?

Mr. Williams: Yes, both get the Crows rate.

Mr. Lind: Thank you.

Mr. Williams: Your question in respect of support. At the present time the support price which is 80 per cent of the base price, which is the requirement of the Act for the current year for wheat not coming under the Canadian Wheat Board, is \$1.41. For oats it is 59 cents, and for barley 93 cents. All bases are numbered 2CE or better.

The Chairman: Mr. Douglas of Assiniboia.

Mr. Douglas: I had a question with regard to the Markets Information Section. I am wondering if that section has any responsibility for setting guidelines, you might say, for production. I know that there was some effort made to set guidelines at conferences from time to time. I think there is some concern among farmers that these guidelines are not either sufficiently reliable or sufficiently well researched to give them information accurate enough to base their production plans upon. I was wondering whether your Department has the responsibility for that sort of thing.

• 1205

Mr. Phillips: Mr. Chairman, the Markets Information Section is a section which receives market information from the individual commodity divisions of the Branch and assembles the information in conjunction with the Economics Branch. They make some comments with respect to the market, but they do not set guidelines per se for production. I believe you might have reference to our outlook conference which is held in November in which the federal and provincial officials meet and go over situation and outlook papers, and put out outlook information. These then go to the provinces and are used by the provinces in their own outlook conferences.

Mr. Douglas: It seems to me that we need better market information. I am thinking particularly of export markets for grains and cattle and so on, to give farmers a better idea of what they should be trying to produce. In Western Canada at least, and I think to some degree in Eastern Canada too, we have been led astray by some of the forecasts over the past few years, and I would hope that something could be done to improve the forecasting.

I have another question, Mr. Chairman, if I may.

The Chairman: Yes.

Mr. Douglas: It has to do with Vote 15 on the Prairie Farm Assistance Administration. I believe it comes under this. I have heard some discussion with regard to the possibility of the Prairie Farm Assistance Administration being phased out. I was wondering if anyone could comment on this or answer that question, if you could call it a question.

Mr. Williams: Mr. Chairman, I think I would have to say in reply to that last question that this is a policy matter and I do not think it would be quite appropriate for officials to comment on it. I could say, however, that I know of no plans at the present time to phase out P.F.A.A.

In respect to the other question you raised, if I might take the liberty of making an observation, I think one of the problems with outlooks is that if it accomplishes its objective, it actually fails. The objective of any outlook is to persuade people to change their production patterns, either to meet a high market or a low market. Now when I say to meet a low market—to avoid a low market or take advantage of a high market—if you persuade enough people to change their plans because they believe your outlook, this means that that high market did not occur nor did the low market occur, because the production was changed to meet it. So that basically the function, as I see it, of an outlook is to bring stability to it, and allow people to take advantage of these high markets. But of course if you persuade enough people, the high market does not occur, other than, as you quite rightly point out, probably in international markets where the volume we produce may be of lesser significance and may not change the price because it may not have that much impact on the total supply. But there is a basic problem here.

Mr. Douglas: I would just like to pursue that Prairie Farm Assistance a little bit more. The vote that we are talking about here is only for the administration of it, apparently, and it is a little higher than it was the previous year. But I have not been able to find where the payments—there must be a place somewhere for the payments that are made—a deficit, you might say, between the 1 per cent collection and the payments accounted for.

Mr. Williams: In the current year's estimates there are funds in the fund, and no item is put in the Estimates. If further funds

are required, they will be provided through supplementary estimates. It is a question of estimating procedure.

Mr. Douglas: Oh, I see.

The Chairman: Mr. Gundlock.

• 1210

Mr. Gundlock: Mr. Chairman, I think Mr. Williams may answer this question. It has to do with the procedure in establishing or putting into effect a subsidization payment. I have in mind a particular year, and I think you will recall the case. What are the rules and regulations, and are they the same as they have been in the past? For instance, a stabilization for the price of land. I think you will recall. Someone has to order that. Is it still the same? Is it the Minister? Is it you as chairman?

Mr. Williams: The actual procedure is that if the support level is established at 80 per cent, the Board must act to maintain it at that level with no further directions from anybody. If it is established at above 80 per cent—since this is a mandatory commodity, at least sheep are a mandatory commodity and the Board has interpreted that as support for wool and lamb—if it is maintained at above the support level, the Agricultural Stabilization Board make recommendations, the Minister recommends them to the Governor in Council, and the Act provides that with Governor in Council approval, levels higher than 80 per cent can be established. The Board then is instructed to apply the level of support that the Governor in Council approved.

Mr. Gundlock: Was that the case in the instance I am speaking of? I think you recall it.

Mr. Williams: I am not certain I recall the exact details.

Mr. Gundlock: Was it above support level at that time?

Mr. Williams: I think they have always been. Wool certainly has always been above the mandatory level, and lambs have always been above the mandatory level.

Mr. Gundlock: Thank you.

The Chairman: I recognize Mr. Roy.

[Interpretation]

Mr. Roy (Laval): Mr. Chairman, Mr. Minister, last week we were taking decisions on the research estimates. I think this item was most important and brought us to study the production markets. So I think here that normally the marketing and production implies the implementation of research which is being done this year. It is very important to know and define the objectives of the Department.

I am slightly concerned. I do not know if I am right but I think there is a reduction in the staff of the Department of Agriculture or so it would appear from the estimates. I would like to know the Department's policy with respect to the introduction of milk substitutes which eventually will probably create problems in the marketing of dairy products. I have an example here and I do not know whether the Department is already aware of this situation. Right now it seems that the well-known Oka Trappist Cheese Plant is about to close down and this will create new problems for the milk producers of Argenteuil county and another milk product will disappear from the market. With the increase of milk substitutes at the present rate the position of dairy products will be very bad. Now I have another comment to make here under the vote with respect to Production and Marketing. I would like to know why we cut the subsidies for cheddar cheese which represents rather an important source of income for our dairy producers. Last year the subsidy was \$1,642,000 and we are allocating \$50,000 for this year. I would also like to learn from the Department, why we have changed the policy on quality premiums for pork and lamb. You show here a decrease of \$8,514,000 to \$6,150,000. On the other hand I see there is an increase in subsidies under allowances and subsidies. It was about \$100 million while this year we are increasing it to \$144 million. So, is the policy of the Department to lean towards a price support policy? Or, are we going to do away with the quality premium policy now? I would like to know the reasons from the officials of the Department and also if possible I would like to know what premiums were paid last year with respect to the nine products which are subsidized right now?

• 1215

[English]

The Chairman: Thank you, Mr. Roy.

Mr. Williams: Once again, I will have to try to answer this in part.

The first question asked was one on departmental policy in respect of substitute dairy products.

I doubt that I can summarize this too well other than to say that we have met on several occasions with producer organizations. At their request the department has been developing an over-all policy for Canada.

The reason for this is that basically the authority to control the production of substitute dairy products lies with the provinces.

At the request of the provinces, we have been working to develop a national policy that all provinces will, by agreement, undertake.

I think the provinces are all concerned that they may go diverse ways, as happened with margarine, you may recall. They wish to try to avoid a repetition of the situation that happened with margarine, that is, that it was legal in some areas, illegal in others and partially legal in some others.

Therefore, we are working with the dairy farmers of Canada, the farm organizations and the provinces to develop a national policy because the basic authority lies in the provincial area.

The Federal Government can involve itself only if it comes under the pure food laws, that is to say, in respect of whether or not it is harmful as opposed to whether or not it should, or should not, be produced. That is the situation in that respect.

A question was also asked about support programs and whether the Department was moving away from quality premiums toward support programs.

Perhaps I should say one word of explanation here. The item that is printed for 1967-68 was an estimate item and was put in very much ahead of time. You will note that just to the left of that in your copy of estimates it shows our estimated expenditure for 1967-68 at \$143 million. In other words, the \$100 million figure was an estimated figure that was put in very much ahead of time, and that was the item provided in the estimates for 1967-68.

The actual estimated expenditures at the time this was printed were \$143 million. The difference between the levels of support in the two programs is not nearly as great as would appear on the face of it, because the

remainder of that was provided later by supplementary estimate. It is a question of the form in which they are printed.

Turning to the question you raised about the two programs in which, in one case, quality premiums were eliminated and in the other reduced, it is simply a case of programs having been in effect for some time and having apparently accomplished their objectives.

• 1220

In the case of the hog premium the situation was that this program had been in effect for, I believe, 25 years. The government had spent very large sums on it and the percentage of Grade A hogs had essentially reached a plateau and no further improvement was forthcoming. It had ranged at something slightly over 40 per cent for some time, but it did make remarkable gains in the first portion. When the program first came into effect I think we were only getting about 28 per cent Grade A hogs and it had increased to that but then levelled out. You will recall, of course, that I mentioned at the previous meeting that the entire system of grading hogs has been changed so as again to put more emphasis on quality.

In the case of the cheese premium the situation is somewhat more complex, but it actually quite closely parallels the other one. I do not have the figures with me here, but I will be glad to provide them. The quality of cheese increased very sharply in the early years that the premium was paid and after that reached a plateau and had been at that plateau—which was a very high level, incidentally—for a great deal of time. It was therefore decided that this program had served its purpose, namely, of increasing cheese quality, and was disappearing.

Perhaps I should also say that at the same time some of the provinces brought in quality programs for their milk, and the Canadian Dairy Commission has made the same announcement, which should tend to serve the same purpose.

The Chairman: I recognize Mr. Howard.

[*Interpretation*]

Mr. Roy (Laval): Could we review the premiums for the nine products of last year? Could you give us I mean the amount for the nine products?

[*English*]

Mr. Williams: Go ahead with another question.

The Chairman: All right; we will come back to it later.

Mr. Williams: No; I have it here.

[*Interpretation*]

Mr. Côté (Richelieu): Mr. Chairman, on the same topic, sir, I would like to direct a question to the Deputy Minister. How will elimination of the premium—which appears justifiable—affect the producer and the middleman? Will this same classification enable the producer to recover the difference which he was deprived of because of the premium was taken away from him?

[*English*]

Mr. Williams: Mr. Chairman, I am afraid I cannot answer that question until we know, first, the level at which hog premiums will be set in the forthcoming year, and, second, exactly how the policy of premiums based on the market value works; and we have not been involved in it as yet.

The Chairman: May we come back to the first supplementary?

[*Interpretation*]

Mr. Roy (Laval): Will the prices be related with this quality which is supposed to be higher than the prevailing quality right now ... with this new classification?

[*English*]

Mr. Williams: Under the new, or proposed, pricing system—it is not new yet; it is to come into effect on January 1—each hog will receive an index number. These numbers range, I believe, from something like 69 to 112.

The price that is quoted to the farmer will be for a hog having an index of 100. If his actual hog, because of its excellence, has an index of 110 he will receive 10 per cent over the quoted price for it.

Perhaps I could give an example. Let us say the price quoted today for hogs having an index of 100 is \$30.00. If you have a hog with an index of 110 the price you will get per hundredweight for that hog will be \$33.00. If, on the other hand, it has an index of only 90 the price that the farmer will get for that hog will be \$27.00 per hundredweight. Therefore, between 90 and 110 you have a 20 per cent difference in value per pound.

• 1225

Mr. Peters: Does he get this in the market place?

Mr. Williams: He gets this in the market place. Any hog premiums that may be applicable in the new year will be over and above that.

The Chairman: I now recognize Mr. Howard (Okanagan Boundary).

Mr. Howard (Okanagan Boundary): Mr. Chairman, I have some questions about the various assistance programs that are permanently under way.

May I have the total figure of the cost of all of these assistance programs, including the Prairie farm advance grain payments, and the projected figure for the next five years?

I would also like to discuss the over-all policy of the Department on the various stabilization programs. I am concerned about the fact that so many of the items being stabilized or assisted in various ways seem to be on a permanent stabilization program. It appears to me that our agricultural policies are failing if we have to many products that have to be assisted on a permanent basis. Surely other methods are available to us to rationalize production, to equate production with demand, rather than a continual program of subsidy.

I look, for example, at quality premiums on lambs on page 27 in the list here; and an item on quality premiums on high grade hogs and lamb carcasses. You mentioned that you thought this hog premium was going to be eliminated, but everything that I read indicates that lamb and sheep production in Canada is less than an economic proposition. Yet we find, in our aid programs, or our subsidy programs, that we are assisting a commodity which the economists tell us—which you yourself will tell us—is not a viable commodity in Canada.

I am questioning the long-range philosophy involved in the aid programs. I want to make it very clear that I recognize the necessity of stabilization programs for various products. It is not this principle of it that I am questioning; it is the principle of a continual program, with apparently no end to it, for many of these commodities. I would like to have some discussion on that.

Mr. Williams: To reply to the original part of your question, first of all, the law requires that nine commodities be supported, or that

there be programs, at least, at the 80 per cent level.

Now, that beggars the question you have raised, that many of these are supported well above that level, but the basic premise is that we have in this country nine commodities that the Parliament of Canada has said must have some price guarantees.

I may say that when payment was made these, other than wheat, oats and barley produced in the specified area, represented somewhere between 75 and 80 per cent of the total value of all agricultural production in Canada; and you will recall, of course, that wheat, oats and barley produced in the specified area do have the price protection of the initial payment.

On the question of the rationalization of these programs, I suppose that of all the programs we have there is no doubt whatsoever that the major one in terms of expenditure is the dairy support program.

In recent years, through the Canadian Dairy Commission, we have taken major steps forward in an effort to rationalize that industry. These steps consist largely of applying a quota-eligibility figure for the phasing out of payments to those who we do not believe have any hope of continuing, or who, by their own decision, reach the conclusion that they do not wish to continue, in dairying, and of applying once again the funds that are available through these quotas to assist those who move towards more economic production and more economic size.

• 1230

The policy enunciated by the Canadian Dairy Commission has been to re-allocate quotas to those who will improve the size of their operation and move towards a more efficient operation, with the eventual hope that the need for subsidies at the level at which they are currently being provided may become less.

The Canadian Dairy Commission is not providing subsidies to new farmers who wish to move into the business other than if they propose to take over a farm that presently is considered to be of a reasonable size.

One could get into endless debate on whether or not the sizes chosen are appropriate, but many other factors have to be considered in reaching a decision on size.

You specifically raised the question of the sheep industry, and I think you said that I would agree that sheep farming is not an economic proposition in this country. Being an old sheep man myself, I am afraid that I could not bring myself to agree that it could not be an economic one. I must agree however, that many of the aspects of sheep farming in this country are not economic at the present time. I think one is dealing with a somewhat different problem here that, by and large, sheep farmers in many parts of Canada are the ones who probably need price support in the broadest sense of the word; but once again we are arguing against the premise that you raised, that these should be used to stimulate economic production.

That, Mr. Chairman, is all I would care to say at the present moment in respect to this, unless there are other questions.

Mr. Howard (Okanagan Boundary): I also asked you about the figures as projected for five years in the future.

Mr. Williams: We will have to take that question as notice.

We have all the information here. Trying to predict these figures in advance presents a major problem. We have enough problems trying to predict them for one year let alone for several.

The reason here, of course, taking sugar beets as an example, is that we are tied in our support program to the world price for sugar. If I were able to predict for even one year in advance what the world price for sugar would be able to do, I would not be working for the Government of Canada, I am certain. If I could predict for five years, it would be a miracle.

Therefore, while we do have rough estimates on many of these items, accurate figures are not available, for example, in respect to PFAA payments; it depends upon climatic conditions and once again they are very difficult to predict. We have predictions for a year and two years ahead, but I am afraid these predictions are repetitions of experience rather than predictions in the best sense of the word.

Mr. Howard (Okanagan Boundary): The total figure that we are spending this year...

Mr. Williams: The total figure that we are spending...

Mr. Howard (Okanagan Boundary): ...on these support programs?

Mr. Williams: There is the Stabilization Account, which is \$144,500; there is the Agricultural Products Board Account which is \$250,000; there is the Crop Insurance where administrative costs and 25 per cent of the premiums are paid which amounts to \$4.7 million; there are grants to fairs, exhibitions and things of that nature which amount to about \$1.3 million; there are quality premiums on hog and lamb carcasses which amount to \$6.1 million; there are miscellaneous small grants to associations and things of that nature as detailed on page 27, all of which amount to just under \$300,000; there is \$130,000 in Vote 35 and then there are some smaller items which are related to compensation for animals slaughtered and things of that nature which I do not think are quite appropriate to put under that same heading.

• 1235

Mr. Howard (Okanagan Boundary): The point I want to make is that this is a very large sum of money. It is a very considerable portion of our total budget.

Mr. Williams: That is correct.

Mr. Howard (Okanagan Boundary): Without a long-range philosophy as to where our support program should be going, we could be heading in a very dangerous direction.

Mr. Williams: So far as the support programs are concerned, of the total provided under Agricultural Support—\$144,500,000—I think \$135,485,000 of that is the dairy support program which does have a definite direction. The other major item within that is sugar beets and it is announced government policy that depending on the eventual result of the International Sugar Agreement the government will reassess its position there, but the sugar beet assistance was being provided because of the unsettled world conditions attributable in part at least to the breakdown of the International Sugar Agreement.

Mr. Howard (Okanagan Boundary): Thank you, very much.

The Chairman: Thank you, Mr. Howard.

[Interpretation]

Mr. Marcel Roy (Laval): An additional question on Item 17. I believe that the amount voted was \$100,000,000 and now it is \$143,000,000 which means an increase by \$43,000,000. Is that right?

[English]

Mr. Williams: On the basis of the figures available there, the answer is yes. However, a changed procedure was introduced for estimating. Formerly we did not make any prior estimates for the reasons that I explained earlier about difficulties in estimating in terms of world prices and things of that nature. We did not make any prior estimates, but all Agricultural Stabilization Accounts were recouped by supplementary estimates after the magnitude of the program was known—after the total cost was known.

In that year, an item of \$100 million was introduced. This has to be put in. I think you appreciate, gentlemen, that our estimates for the 1969-70 year are now in front of Treasury Board. The dairy support program is not decided until some time in March. The Department had to put in a nominal figure—and that is all it can be at the time it is required; it is a nominal figure—which indicated that the expenditures and the level of support would be much higher than that and, therefore, supplementary estimates in the amount of the \$43 million that is indicated over on the left-hand side were required in 1967-68. The 1968-69 figure presumably is closer to fact than the one that was submitted in 1967-68 originally.

The Chairman: I recognize Mr. Lessard.

[Interpretation]

Mr. Lessard (Lac-Saint-Jean): I shall be brief, Mr. Chairman. Two points essentially: the Quebec farmers, within their association, U.C.C., recently supported strongly in a brief the establishment of an agricultural commodity marketing board. What would the position be with regard to the constitutional issues that we are presently facing in Canada? Has the federal government the power to take over control of the marketing of various farm commodities? Do you presently have agreements with all provinces? How far have we got in the negotiations with the provinces to bring about the establishment of such a body?

[English]

The Chairman: Mr. Jarvis will answer this question.

• 1240

Mr. Jarvis: Mr. Chairman, I should like to comment on this question in terms of the jurisdictional and constitutional aspects of marketing that you have raised. The prov-

ince, or in this case the provincial marketing agency, has really complete jurisdiction over the marketing of the product within the province. The products were produced within the province and marketed within it. The federal government, on the other hand, has control over the product in interprovincial and export trade.

Now, there have been general discussions of this whole matter with the provinces, particularly relating to the current proposal on egg marketing which has been made by egg producers and as to how a national marketing scheme may be set up within this jurisdictional framework. I can indicate that we have had two meetings now with provincial officials for the purpose of discussing this matter and some progress might be made in this area, but I think this answers your question basically.

Mr. Lessard (Lac-Saint-Jean): Thank you very much. I still have two more points.

[Interpretation]

In vote number 30, you talk of honey policy and maple policy. Are we importing honey and the maple products into Canada at the moment? And are we indeed supporting these two lines of production, so they suffice to meet our market requirements? What precisely is done to help the producers in these two fields?

[English]

Mr. Phillips: In the area of maple products first, there is no support program for maple products but, on the other hand, almost annually assistance is given through the Agricultural Co-operative Marketing Act which provides to producers of other commodities the same type of assistance that is provided to Western grain producers under the Wheat Board Act. It provides through agreement with the Minister for the guaranteeing of initial payments on the commodity. It allows them to store the commodity and phase their marketing over a longer period and, as I say, almost annually there are groups in the province of Quebec who have utilized this legislation for the marketing of maple products.

In addition, in the Kennedy Round negotiations there were concessions obtained from the United States with respect to duties on maple products going into the United States which should be of extreme benefit to the maple producers.

Turning to honey, yes, there are imports from time to time from the United States and Argentina mainly, and we are net exporter of honey.

Mr. Lessard: Thank you, sir.

The Chairman: Thank you Mr. Lessard. I recognize Mr. Clermont of Gatineau.

[Interpretation]

Mr. Clermont: Mr. Chairman, vote 17 mentions crop insurance. Last year, the province of Quebec established its crop insurance programme. What was the agreement—if any—that was made between the federal authorities and the province of Quebec authorities regarding this crop insurance?

[English]

The Chairman: Mr. Bird, would you like to take this question, please?

• 1245

Mr. W. R. Bird (Director, Crop Insurance Division, Department of Agriculture): Mr. Chairman, no agreement has been completed as yet with the Province of Quebec. The situation at the present time is that we have been negotiating with officials of the Quebec Crop Insurance Board and the Quebec Department of Agriculture and Colonization, and at present we are awaiting a final decision by the Province of Quebec as to the makeup of the regulations which will govern the operation of the Act. I think once they are in a position to complete an agreement we should be able to have it completed in a matter of probably three or four weeks.

[Interpretation]

Mr. Clermont: Mr. Williams, is it contemplated that the province will be able to have a reinsurance in case losses are high in a given year?

[English]

Mr. Williams: No, Mr. Clermont, it does not mean that. I was going to add a word of explanation. Mr. Bird is perfectly correct. There is no formal agreement signed as yet. However, there is authority to enter into the agreement. The problem is that the regulations have not reached such a stage in development in the Province of Quebec. However, funds are provided in our estimates for the current year, and presuming the agreement comes along fast enough the Canadian Government has agreed to pay half the administrative costs and 25 per cent of the premium costs of the type of program that Quebec has in effect in 1968.

[Interpretation]

Mr. Clermont: Another question, Mr. Chairman, regarding overtime. I shall give three examples only: under item 20 on page 23, under the Chapter on the Cattle Division, you have listed as permanent staff, part-time employees and others, 530 people earning a total of \$3,096,700, and \$36,000 in overtime. Under item 40 on page 32, under permanent staff, you have 2,002 employees earning a total of \$13,236,700 and \$1,250,000 in overtime. Can you give an explanation of this, even if item 20 for the Cattle Division, only shows 530 employees or 25 p. 100 of the staff of item 40, under the chapter entitled Sciences and Professions directorate?

[English]

Mr. Williams: Under the current program for the 1968 season there is no reinsurance provided. The assistance that is being provided is outside the Act and will be provided by special vote.

[Interpretation]

Mr. Clermont: Does this mean that presently, for 1968, the farmers of the province of Quebec will not receive the Federal 25 per cent premium subsidy?

[English]

Mr. Williams: The situation here is that under normal circumstances professional employees and classified fulltime civil servants normally within the Department of Agriculture obtain time off in lieu of overtime. Therefore, in the livestock division, and I would stand to be corrected by Mr. Moffatt in that, I am almost certain that the \$36,000 there is payable only to prevailing rate employees.

On the other hand, in Vote 40, which is the Health of Animals Branch, when our veterinary inspectors are employed in meat packing plants, we have a standing arrangement that any hours they work over 40 are paid for by the plants. However, as an accounting procedure those funds accrue to the returnable revenue of the government and we provide the funds in here. So there is an off-setting revenue item somewhere to cover this.

• 1250

[Interpretation]

Mr. Clermont: Thank you, sir.

[English]

Mr. Williams: Or almost all of it at least. There probably is some prevailing rate overtime included in this as well.

Mr. Douglas: May I ask a supplementary, just a short one?

The Chairman: Yes.

Mr. Douglas: On this overtime. There is a problem with veterinarians I understand on signing papers for export of live cattle to the United States and southern Saskatchewan at least that has not been resolved yet that I know of.

Mr. Williams: I think the problem here is complicated at the present moment by the fact that the veterinary group within the Public Service have just signed a contract with Treasury Board and there are many contractual items in there. As a matter of fact, at the present moment we have a group of our district supervisors in Ottawa who are working through the actual administration of these new contracts because it is a rather new area for us to be engaged in. We hope, however, under this to be able to overcome some of the problems that you have raised here.

The Chairman: I recognize Mr. Southam, Qu'Appelle-Moose Mountain.

Mr. Southam: Thanks very much, Mr. Chairman. I believe that I had fairly high priority on the number of questioners for the last meeting of our Committee, which was to be held last Thursday, but unfortunately, Mr. Chairman, due to a serious illness in my immediate family I was not able to be present. I had prepared a number of questions and comments, but in view of the fact that it was mentioned here earlier that we do not have a record of the votes and proceedings of the last meeting, I am going to forgo that at the moment because I might be trespassing on the Committee's time. But I would like to take this opportunity, as it is my first chance to make a few comments, to congratulate you, Mr. Chairman, and your Vice-Chairman, on your appointment to your official capacity in connection with this Committee. I am sure with your wide experience that our deliberations will be very helpful from the contribution that you will be able to make. I would also like to put on the record, although the Minister of Agriculture is not able to be here this morning, my congratulations to him. I

am sure that he, with his activity and experience in agriculture, will be helpful. And with the help of our Committee and all the efficient members of our Department of Agriculture here we will be able to make a great deal of progress. At least, I express this hope, for the meetings that are ahead of us.

Now, coming back to a question at the moment, I was quite interested in the topic introduced by Mr. Pringle this morning with regard to comparing the farm output and the base formula, and so on, that was used in comparing our farm output in Canada, say, with the United States. But in my travels across Canada, and having been engaged in agriculture myself at one time, I am interested in the wide disparity of production between one sector of Canada and another. I would just like a comment from Mr. Williams or some official in his Department as to what steps are being taken on the basis of an educational program or any activity in that line to try and bring a more or less uniform standard to our production in the various sectors of agriculture. Another question I would like to deal with—or have one of the officials here deal with—is the problem of the use of pesticides. In the technological advance in agriculture in the last few years, of course, chemicals are playing a very great part and the use of pesticides is now creating quite a problem so far as the contamination of foods both human and animal is concerned and I was wondering what steps are being taken to rectify this problem and the question of compensation for losses due to the use of them?

Mr. Williams: I think we shall ask Mr. Jarvis to say a word on the question of regional disparity and Mr. Phillips to reply to the question about pesticides.

Mr. Jarvis: Concerning the matter of achieving greater uniformity of level of income in the various areas of Canada, particularly as it related to agriculture, this is a consideration, certainly, in the manner in which programs are undertaken particularly, I think, in the area of marketing and handling of commodities and products.

Particular marketing schemes are geared to particular areas and particular commodities associated with those regions and while this does not totally answer the very critical problem you mentioned from the point of view of the farmer, it directs some assistance in this manner. On this point I think we should men-

tion that the Department is putting forth a great deal of endeavour to develop a farm management scheme in association with the provinces by which farmers in all parts of Canada will be able to participate in that rather sophisticated but very practical farm accounting system and farm business analysis system.

I mentioned that this is a joint federal-provincial program but it will be geared to work closely with the farmers in the particular regions and perhaps help them to know better some of the problems in their own particular business and find means of expanding their income from their farm enterprise; I have mentioned these two factors in commenting on this question.

• 1255

Mr. Southam: Supplementary to that, Mr. Jarvis, I presume, then, that the policy and principle behind the ARDA program is being injected into this field too. I am thinking now in the sphere of uneconomic units such as smaller farmers, say, that we have in eastern Canada where, under the ARDA program, they are trying to enlarge them and get a certain number of people out of that field into perhaps vocational technical training and increasing the size of farm units. Would this be a correct assumption too?

Mr. Jarvis: I think it is fair to say that the government's primary endeavour in this area at achieving more rapid adjustment in the farm sector and this kind of thing is being carried forward with the greatest emphasis in the ARDA program and related programs in this area but certainly, as I above indicated, these problems are a consideration in the development and administration of these programs within the Department of Agriculture as well.

The Chairman: Thank you, Mr. Jarvis.

Mr. Phillips: Mr. Chairman, in terms of the questions asked about pesticides and pesticide residue, two departments are involved in their control. In the Department of Agriculture we administer the Pest Control Products Act which controls the pesticides per se, and in the administration of that Act we assess a commodity in relation to its recommendations for use to determine whether when, used according to directions, it will not leave a residue in foodstuffs. We work with the Food and Drug Directorate of the Department of

National Health and Welfare in determining the safety of these commodities.

Now, indeed, in the operation of this work we started, I believe about 10 years ago, by putting in the legislation of agriculture a requirement that in order for a product to be registered under either the Pest Control Products Act or the Feeding Stuffs Act, we must assure ourselves that it will not leave a residue contrary to the Food and Drugs Act and we have administered it in that fashion.

In order to co-ordinate this work of the two departments we have recently reached agreement on the streamlining of the administration of the operation of both for this accomplishment. In the area of compensation for pesticide residues you may have noted that there is a resolution on the Order Paper respecting this matter, and I do not think I should comment on the details.

The Chairman: Thank you, Mr. Phillips. Gentlemen, that concludes our questioning unless you have a brief question, Mr. Lind?

Mr. Lind: I want to ask before we proceed to vote on these Votes, when would be the time to ask a question about the cost of transportation of supplies of fertilizer produced in the West to Eastern Canada and the difference in cost between the United States price and the Canadian price?

The Chairman: This could be dealt with, Mr. Lind, when we return to Vote 1. It would be quite appropriate at that time.

Mr. Lind: Thank you, very much.

The Chairman: Gentlemen, I am sure you would wish me to express the appreciation of the Committee to Mr. Williams and the other officials of the Canada Department of Agriculture who have so willingly answered our questions this morning in a most informative way. We are grateful to you, gentlemen. We appreciate your presence here.

Gentlemen, I am hoping, of course, that there might be some disposition to conclude our consideration of these estimates.

Shall Items 15, 17 and 20 carry?

Some hon. Members: Carried.

Items 15, 17 and 20 agreed to.

The Chairman: Shall Item 25 carry? Is there a question?

Mr. Roy (Laval): We have lost over \$4 million and I think we should have more infor-

mation on this. Even if the quality were better the price would not be better for the farmers. I think since we cannot have a national price for all that is going to be O.K.—a federal law for the quality but the price will not be the same all across the country. I think that on this new we have lost over \$4 million and I think it will be a very unpopular situation for our producers.

The Chairman: Can we agree that more time will be devoted to that when we come back to Item No. 1? Would you be satisfied?

Mr. Roy (Laval): On this item? Yes.

Mr. Chairman: Thank you.

Item No. 25 agreed to.

Shall Item 30 carry? Mr. Peters?

Mr. Peters: I am interested in two questions that were asked today, and I am not sure what section they come under—perhaps under Item No. 1. I am interested in the question that was raised about the total amount of price of supports in Canada, and second, the relationship that has to our developing marketing legislation of a national nature without this great emphasis on provincial duplication of legislation. It is more or

less a philosophical discussion but I think it is one we should have. Would that be on Item No. 1?

The Chairman: I would think, Mr. Peters, that could very appropriately be discussed under Item 1 when we come back to it.

Mr. Peters: You intend to stand Item No. 1?

The Chairman: Yes, it has been stood. Gentlemen, shall Item 30 carry?

Some hon. Members: Carried.

Item 30 agreed to.

The Chairman: Shall Item No. 35 carry?

Some hon. Members: Carried.

Item No. 35 agreed to.

The Chairman: Thank you. Gentlemen, I simply conclude by reminding you of our trip to the research institute this afternoon leaving at 1.30 p.m. at the south door of the West Block. I thank you for your attention and for the completeness of your questions. We will deal with the Health of Animals Branch at our next meeting which will be on Thursday. The meeting is adjourned to the call of the Chair.

APPENDIX B

VOTE 5 — RESEARCH BRANCH,
ESTIMATES 1968-69

(Extracts to show relationship between estimate provision and cash value of crop)

	Total estimate provision (\$000)	Cash receipts from farm operations 1967 (\$000)
Cereals	2,996	1,208,178
Oilseeds	448	111,721
Fruits	3,289	81,778
Vegetables	2,762	93,908
Tobacco	495	156,740
Dairy	1,112	732,667
		(dairy products)
Sheep	382	8,257
Swine	680	408,283
Poultry	1,413	373,388
Beef	841	922,333
		(cattle & calves)

In examining the above data, it should be borne in mind that cost-benefit from research relates to the promise of the program in adding to the value of a crop and preventing crop losses; to the promise in making possible greatly increased economic production; e.g. rapeseed, corn; to the promise in meeting market (domestic and export) requirements; e.g. golden nematode-free soils, storage of apples for year-round marketing; and to the fact that there is widespread taxpayer interest in horticultural crops which include annuals, biennials, and perennials, and a great number of species which, together, lead to a multiplicity of problems.

In considering research expenditures on livestock and poultry, it should be remembered that the Animal Pathology Division (Estimates—\$1,629,600) is part of the Health of Animals Branch.

APPENDIX C

November 1, 1968

Brussell sprouts is now an important crop on P.E.I. Practically the whole acreage is seeded to the Jade Cross variety. In this variety there is too wide a range in the date of maturity of sprouts, along the stalk, with the result that the bottom ones are over mature when the top ones are reaching maturity. Bacteria which attack mature tissue frequently enter the bottom sprouts and cause an

internal rot. There is no known way of preventing it other than searching for a variety where all the sprouts mature at about the same time. There is reason to believe that such a variety can be found and, in 1968, 40 varieties were tested on P.E.I. It has been determined at the Research Station, Charlottetown, that there is no connection between the rotting problem and fertilizer or management practices.

APPENDIX D

November 1, 1968

Productive corn hybrids, presently grown, require 80 or more days to mature. Within the next five years, Canadian corn breeders expect to release productive hybrids which will mature at about 75 days. This should

help to increase the supply of corn available for milling during the September 1—October 15 period when stocks are normally at a low point. Some hybrids have kernels more or less rectangular in shape, but our corn breeders know of no stocks whose kernels could be described as being more or less square.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament

1968

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

THURSDAY, NOVEMBER 7, 1968

Revised Main Estimates (1968-69) relating to Agriculture

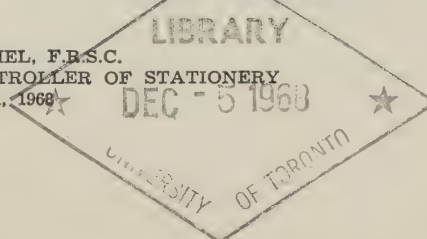
APPEARING:

The Hon. H. A. Olson, Minister of Agriculture

WITNESSES:

From the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; *and from the Department's Health of Animals Branch:* Dr. K. F. Wells, Veterinary Director General; Dr. R. J. McClenaghan, Director, Contagious Diseases Division; Dr. C. K. Heatherington, Director, Meat Inspection Division; Dr. J. Frank, Director, Animal Pathology Division.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968



STANDING COMMITTEE
ON
AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (*Lac-Saint-Jean*)
and Messrs.

Barrett,
Clermont,
Cobbe,
Côté (*Richelieu*),
Douglas,
Foster,
Gauthier,
Gleave,
Gundlock,
Horner,

Howard (*Okanagan
Boundary*),
Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lefebvre,
Lind,
McKinley,
Muir (*Lisgar*),
Noble,

Peters,
Pringle,
Roy (*Laval*),
Smith (*Saint-Jean*),
Southam,
Stewart (*Okanagan-
Kootenay*),
Thomson (*Battleford-
Kindersley*),
Whicher,
Yanakis—30.

Michael A. Measures,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, November 7, 1968.

(5)

The Standing Committee on Agriculture met at 9:44 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Cobbe, Côté (*Richelieu*), Douglas, Foster, Gleave, Korchinski, La Salle, Lessard (*Lac-Saint-Jean*), Lind, Noble, Peters, Pringle, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Thomson (*Battleford-Kindersley*), Whicher, Yanakis—(19).

Also present: Messrs. Ritchie and Whelan, M.P.'s.

In attendance: The Honourable H. A. Olson, Minister of Agriculture; *and from the Department of Agriculture:* Mr. S. B. Williams, Deputy Minister; Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing); *and from the Department's Health of Animals Branch:* Dr. K. F. Wells, Veterinary Director General; Dr. R. J. McClenaghan, Director, Contagious Diseases Division; Dr. C. K. Heatherington, Director, Meat Inspection Division; Dr. J. Frank, Director, Animal Pathology Division.

The Chairman reported briefly on the visit of Committee members last Tuesday to the Department's Animal Research Institute, Central Experimental Farm, Ottawa.

Mr. Olson invited members of the Committee to lunch next Tuesday at the Sir John Carling building and thereafter to visit other parts of the Central Experimental Farm, Ottawa.

On motion of Mr. Pringle,

Resolved,—That members of the Committee accept the Minister's invitation and that places to be visited include research of plant products and food.

The Chairman called items 40 and 45 of the Revised Estimates relating to Agriculture, namely,

HEALTH OF ANIMALS

item 40 Administration, Operation and Maintenance, etc..\$17,000,000

item 45 Grants, Contributions and Subsidies, etc. 1,766,600

The Chairman introduced Mr. Williams who, in turn, introduced those others in attendance.

Dr. Wells gave an opening statement on the Health of Animals Branch.

Mr. Williams and Dr. Wells were questioned, assisted by Mr. Jarvis and by Dr.'s McClenaghan, Heatherington and Frank.

With the questioning continuing, items 40 and 45 were allowed to stand.

At 11:01 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, November 7, 1968

• 0945

The Chairman: Gentlemen, permit me to say I see a quorum.

We are particularly happy to have with us for a few minutes this morning the Minister of Agriculture.

May I just say at the outset of this morning's meeting how pleased we were with our tour of the Research Institute Farm last week. An invitation has been extended to us to tour the Central Experimental Farm next week, if the Committee felt so disposed, for the purpose of reviewing some of the research work that is going on in plant products and in food.

I am going to just leave it at that point and ask the Minister to say a word. He may want to embellish this whole invitation a little bit and, if so, then we will discuss whether or not we will be in a position to go.

Hon. H. A. Olson (Minister of Agriculture): Mr. Chairman, I would like to issue an invitation to the Committee to visit the Central Experimental Farm and the John Carling Building next Tuesday, if you can find it convenient to come. Perhaps it would be a little more convenient if you would like to come for lunch at noon and then we could arrange to tour some of the laboratories that are there or whatever else you would be particularly interested in seeing, the showcase herd or whatever you would like.

I understand that you are not having a formal meeting next Tuesday.

The Chairman: No, Mr. Olson.

Mr. Olson: If you would like to come at noon on Tuesday we would be very happy to make whatever arrangements that are necessary to meet your convenience. I am sure that you will not be able to see the whole place in the time that you will have at your disposal but we will arrange the tour to those areas of greatest interest to the Committee.

The Chairman: Thank you, Mr. Minister. I throw the question open for a brief discussion. What is the attitude of the Committee?

Mr. Cobbe: Mr. Chairman, the last visit was very educational and I would thoroughly enjoy a visit to the Central Experimental Farm. I think that such a visit would possibly cut down on a lot of the questions that otherwise would come up at the meeting, and it would give the Committee a far greater opportunity to see what is really taking place.

The Chairman: Could I have a motion to that effect.

Mr. Pringle: I move that the Committee accept the invitation to visit the Central Experimental Farm to observe the research work into plant products and food on Tuesday afternoon, November 12, if it can be arranged with the House Leader.

Mr. Southam: Mr. Chairman, the last tour was a relatively short one but I found it very interesting educational. I think it would be very productive to take another tour.

I would be pleased to second the motion, Mr. Chairman.

Motion agreed to.

The Chairman: Thank you, Mr. Minister. We will endeavour to arrange this through the House Leader and accept your kind invitation.

Now, gentlemen, we are going to consider the estimates of the Department of Health of Animals, Votes 40 and 45.

We are pleased to have with us this morning the Deputy Minister, Mr. Williams. I am going to ask the Deputy Minister to introduce the Departmental officials and then we will hear your questioning.

• 0950

Mr. S. B. Williams (Deputy Minister of Agriculture): Mr. Chairman and gentlemen, this morning we are going to consider the votes applicable to the Health of Animals Branch of the Department. We have with us here this morning the Assistant Deputy Minister responsible for Production and Marketing and the Health of Animals, Mr. Jarvis,

whom you have met earlier. We have also Dr. Wells, the Veterinary Director General, and Dr. Frank who is the Director of our Animal Pathology Division.

We anticipated that other officials would have been here much earlier than this but perhaps they have been delayed by the very severe storm. The other officials will be Dr. Heatherington who is the Director of the Meat Inspection Division of the Health of Animals Branch, and Dr. McClenaghan who is the Director of the Contagious Diseases Division. You will note that you have these names on your organizational chart which is in front of you. In addition to those, Mr. MacMillan who is in charge of Administration will be here.

Dr. Wells has prepared a very brief statement on the broad outlines and the functions of the Branch. With your permission, Mr. Chairman, I would like to ask Dr. Wells to present this statement prior to the questioning.

The Chairman: Thank you. We would be happy to hear Dr. Wells.

Dr. F. K. Wells (Veterinary Director General, Health of Animals Branch, Department of Agriculture): Mr. Minister, Mr. Chairman gentlemen, the Health of Animals Branch of the Department of Agriculture is the veterinary agency of the Department of Agriculture and is, in fact, the oldest agricultural agency of the Department, having been established in 1869 by the first piece of agricultural legislation, the Animal Contagious Diseases Act, considered by the Parliament of Canada following Confederation in 1867.

The Branch is divided into three divisions—the Contagious Diseases Division, the Animal Pathology Division, and the Meat Inspection Division—each with their separate responsibilities.

Branch responsibility includes preventing the introduction of animal diseases to this country, controlling and, where possible, eradicating animal diseases already in the country and the certification of international trade of our livestock and livestock products. Also, the responsibilities include the animal disease research essential to the health status and economic development of our livestock industry, along with the diagnostic facilities for the maintenance of a high health status, together with providing the National Meat Inspection services.

The Contagious Diseases Division is responsible for preventing the introduction of animal diseases. This is accomplished through inspection and quarantine of all livestock and livestock products capable of carrying the causative agents of disease. For this purpose, livestock quarantine stations are maintained and Branch officers are stationed at all international ocean and air ports for the purpose of enforcing the regulations.

Control and eradication of diseases within the country is carried out through a system of programs for specific diseases, such as Tuberculosis, Brucellosis and Hog Cholera, and a general investigational service with respect to suspected outbreaks of serious diseases, together with the necessary provision for eradication, should any serious diseases be uncovered.

Certification of livestock and livestock products for export is an important function in that it is only with such certification ensuring a general high health status that our livestock and livestock products are accepted in international markets. As an example, this year we have exported approximately 37,000 breeding cattle to 17 countries and we were required in some cases to conduct up to twenty-five individual tests for each animal exported. In addition to the above, during the same period, we have exported to the United States of America approximately 100,000 beef cattle for feeding and slaughter purposes.

The Animal Pathology Division, concerned directly with disease research and diagnostic facilities, must not only be prepared at any time to conduct complicated tests to establish the identity of a suspicious disease occurring in Canada, but must be equipped to handle thousands of routine diagnostic tests and, at the same time, conduct sufficient animal disease research to keep abreast of animal disease developments and problems throughout the world.

The main research laboratory is at Hull, Quebec, with five other research laboratories located at Sackville, N.B., Macdonald College, Quebec, Guelph, Ontario, Lethbridge, Alberta, and Vancouver, B.C. In addition, there are three diagnostic and service laboratories located at Grosse Ile, Quebec, Winnipeg, Manitoba, and Regina, Saskatchewan.

The Meat Inspection Division is responsible for providing the National Meat Inspection System in Canada, together with controlling imports of meat and meat food products to

ensure that they meet our National standards, and certifying the export of meat and meat food products to foreign countries.

There are 571 meat slaughtering, processing, rendering and storage plants registered under the Canada Meat Inspection Act. It is a requirement that all meat and meat food products shipped across a provincial border or out of the country must be processed and produced under the provisions of the Canada Meat Inspection Act. In addition, we have a federal-provincial agreement with the province of Manitoba to provide a domestic meat inspection service within that province. In this case, the province reimburses the Department for the approximate cost.

While each Division has separate responsibilities, all are integrated so that they provide animal disease control, animal disease research and wholesome meat and meat food product supplies. As an example, the suspicion of a new disease may first be reported through our Meat Inspection Division to the Contagious Diseases Division who, in turn, carry out field investigations and will be dependent upon the laboratory services for research and diagnostic procedures. Similarly, the Contagious Diseases Division report to the Meat Inspection Division and the Animal Pathology Division new field findings which may involve new meat inspection procedures and additional research.

The health status of Canadian livestock is among the highest in the world and this must be maintained if we are to eliminate as much as possible the disease factor in the cost of livestock production and, at the same time, have our products acceptable on the world markets. Today, we can ship our livestock and livestock products to more countries in the world than any other individual country.

In order to carry out all of these functions, in addition to having a thorough national veterinary organization, we must and do maintain close and regular contact on an international basis with veterinary affairs throughout the world.

Thank you, Mr. Chairman.

The Chairman: Thank you, Dr. Wells. Mr. Jarvis, did you wish to make any comment at this time?

Mr. W. E. Jarvis (Assistant Deputy Minister of Agriculture (Production and Marketing)): No, Mr. Chairman.

The Chairman: Gentlemen, we will proceed in the same way as we have done in the past: I will recognize members who wish to ask questions.

I have on my list at the moment Mr. Roy (Laval) and I will recognize him.

[Interpretation]

Mr. Roy (Laval): On a point of order. In the record of the first meeting of the Agriculture Committee on page 19, it is said that I had spoken of an important market in the Montreal area, and the idea was a market for vegetables rather than for flowers. Page 19. I would like the required change to be made, you will find this on page 19.

[English]

The Chairman: May I say that this error will be noted and corrected.

Would you be so kind as to provide the Clerk of the Committee with a statement of correction showing the page and location of the error.

I recognize Mr. Gleave (Saskatoon-Biggar).

Mr. Gleave: What does Municipal or Public Utility Services, the last item on page 32, include?

• 1000

Dr. Wells: Mr. Chairman, it includes electricity, gas services, sewer services and those things necessary for the maintenance and operation of laboratories.

The Chairman: Does that answer your question?

Mr. Gleave: Yes, Mr. Chairman. There is a practice followed in the stockyards, at least in Saskatoon, of vaccinating feeders, when you pick them up, for shipping fever. In my experience, this is ineffective—they all get it all over again when you get them home anyway and you have to dope them. Why is this practice followed? Do you find it effective?

Dr. Wells: A single vaccination is not particularly effective. However, if the animals are vaccinated some time prior to coming to the stockyards, then it is usually effective. However, this is done by private practitioners and not by the Department. This is the choice of the individual buyer or seller.

Mr. Gleave: The Department makes no recommendations in this regard?

Dr. Wells: Some years ago we did a very thorough study on the shipment of livestock from the West to the East or from stockyards back to the country, and our recommendations at that time which still hold would be for either double treatment ten days apart prior to coming in for slaughter which would be effective or, if this is not done, the treatment of the animal subsequently by the use of antibiotics.

Mr. Gleave: Then in short, what you are saying is that a single shot in the yards, in the observation of the department, is simply not effective?

Dr. Wells: It is not totally effective, sir.

Mr. Gleave: Further, in compensation for animals slaughtered, in the case of an animal purchased from the yards and condemned before it comes out of the yards, do you give any compensation to the purchaser under these circumstances?

Dr. Wells: Yes, for tuberculosis and brucellosis inasmuch as the total country is now under the programs for both tuberculosis and brucellosis, and therefore all free movements of these animals operate under the provisions of the regulation. Prior to the time when the total country was completely tested for tuberculosis and brucellosis, yards were excluded from the area. That is, shipping yards were excluded from the actual tuberculosis and brucellosis controlled areas, and under those circumstances compensation was not paid. But now that the disease is under total eradication procedures throughout the country, all animals are paid for.

Mr. Gleave: Thank you.

The Chairman: Does that conclude your questions?

Mr. Gleave: Yes, for now.

The Chairman: May I ask a supplementary question, Dr. Wells. Following up Mr. Gleave's question that if you are purchasing some feeders in Lethbridge, Alberta, and moving them to Ontario and these calves are inoculated two days before loading in Lethbridge and you say that it should be a double treatment, if there is a treatment there and a treatment on arrival at the farm in Ontario, is this effective? Does this work if both treatments precede the shipping?

Dr. Wells: Mr. Chairman, if you are discussing vaccination with a vaccine then both vaccinations or both injections should precede the shipment. But, in fact, if you are discussing inoculation with antibiotics, then one at the time of leaving the stockyards in the West should carry the animal through to its destination.

The Chairman: Thank you. May we interrupt our proceedings to introduce the gentlemen from the Department who have come in.

Mr. Williams: Mr. Chairman, the new arrivals are Mr. R. D. MacMillan who is the Director of Administration in the Health of Animals Branch; Dr. W. A. Moynihan who is Program Co-ordinator; Dr. J. U. G. Girard who is in the Contagious Diseases Division, Dr. C. K. Hetherington who is Director of the Meat Inspection Division, and Dr. R. J. McClenaghan who is Director of the Contagious Diseases Division.

• 1005

The Chairman: Thank you, Mr. Williams. I will now recognize Mr. Southam of Qu'Appelle-Moose Mountain.

Mr. Southam: Thank you, Mr. Chairman. I would like to say, Mr. Chairman, that I am pleased to see Dr. Wells with us this morning and I am sure we all appreciate the excellent work that he and his officials are carrying on in this very important Health of Animals Branch. I would like to ask the doctor and Mr. Williams, have there been very many representations made in recent months with respect to the rate of compensation scale for animals slaughtered under the Animal Contagious Diseases Act? I feel, in looking at statistics, and I have had this brought to my attention on several occasions, that with the high standard and quality of livestock and particularly of purebred breeding stock that we are now handling in Canada and, in some cases, some losses among herds, that the people involved with these animals that have been caused to be slaughtered feel they are not getting a proper compensatory rate, that we should revise it upwards. I would also like to ask Dr. Wells about the policy as far as rabies are concerned. We just recently had an outbreak of rabies in Saskatchewan and I know one man brought this to my attention. I have heard of several instances since where animals have had to be slaughtered because of rabies. As I understand the legislation, it is

only enabling. For a person having an animal slaughtered for this cause, if in a province which has not brought in enabling legislation, there is no compensation, and this seems to me to be an inequity that should be rectified. I would like to hear Dr. Wells' comment on this.

The Chairman: Who is taking the question? Mr. Williams.

Mr. Williams: The first part of it that was directed originally to the Minister, only unfortunately the Minister had to leave, I would be prepared to answer. The question was related to the levels provided for compensation under the Animal Contagious Diseases Act. The question was asked as to whether the Department had received many representations. I find it difficult to define "many", sir, but we certainly have received representations along this line. You may recall, sir, that there is a resolution standing in the name of the Minister of Agriculture to amend the Animals Contagious Diseases Act, to remove from the provisions of the Act the establishment of the exact maximum level of compensation. At the present time this is established and cannot be changed without an amendment to the Act. The resolution standing in the name of the Minister of Agriculture provides that the maximum payable for compensation for the diseases covered under this Act will be removed from the Act and the authority changed to Order in Council, so that it will be much easier to amend the maximum levels. In making this statement, however, I should point out that there is a matter that many of our producers fail to realize and fail to appreciate when they look at the figures—the figures at the present time are \$140 for purebreds and \$70 for grade animals as a maximum—and that is that this is the amount paid over and above the salvage value of the animal. In other words, the farmer has the salvage value of the animal.

The question was also asked in respect of rabies, and I will ask Dr. Wells to answer that portion of the question.

Dr. Wells: With respect to rabies, Mr. Chairman, we do provide two-fifths of the cost of animals which have died from rabies when such moneys have been paid, when the valuation has been paid by the province to the owner of the animals which have died. At the moment, the only two provinces involved are Ontario and Quebec but, of course, the

option is available to any other province that wishes to become involved in this program.

Mr. Southam: Am I to understand then that Saskatchewan has not come into this enabling legislation?

Dr. Wells: Yes, this is correct.

Mr. Southam: In our area two years ago we had a quite serious example where a small herdsman lost quite a percentage of his herd, animals slaughtered from being affected by rabies. I was rather surprised to think that we were dragging our feet in this respect in Saskatchewan. But as I understood it, the provincial government was taking steps to rectify this. This has not been done yet?

Dr. Wells: No, sir. Not yet. Excuse me, just a moment. Saskatchewan is included. Excuse me, sir, my apologies.

• 1010

Mr. Southam: Thank you. I am glad to hear that.

The Chairman: Does that conclude your questions, Mr. Southam?

Mr. Southam: Yes, thank you, Mr. Chairman.

The Chairman: I recognize Mr. Lind on a supplementary.

Mr. Lind: When these animals are condemned, they are slaughtered and they are completely unfit for human consumption. I suppose they go to dog food or something. In the old days it used to be that tuberculosis—when they said they went to the tank—what compensation do they get paid then for the meat?

Dr. Wells: Where an animal is ordered slaughtered for disease and the owner is awarded compensation, if upon post mortem—ante mortem and post mortem inspection at the packing plant—the animal is totally condemned as unfit for food, the Department then pays to the owner, in addition to the compensation awarded, the food value, that is the amount that the animal would have had for food value had it been passed for food.

Mr. Lind: This is a change.

Dr. Wells: No, this came into being in 1958-1959.

Mr. Lind: Thank you very much.

Dr. Wells: Now, concerning the other question with respect to what happens to these animals that are condemned, they go into the cooking and rendering tank and are not permitted to be used for any purpose whatever until after they have been totally rendered in the rendering operations of the plant as condemned material.

Mr. Lind: Thank you.

The Chairman: I recognize Dr. Foster, Algoma.

Mr. Foster: Mr. Chairman, I would like to preface my questions by a couple of general comments concerning the Health of Animals Branch. I do not believe that many Canadians are familiar with how successful the Canadian Department of Agriculture has been in controlling the diseases, especially the ones the Health of Animals Branch looks after that are listed under the Animal contagious Diseases Act.

Many countries adopt the procedure of living with the disease and controlling it through vaccination. In Canada we have used the test and slaughter method for the control of hoof and mouth disease, hog cholera and recently brucellosis, and this has been very successful and I think that we probably have one of the best records in the world. Although it seems expensive actually to slaughter the animal that is infected at the time rather than just having some type of prophylactic system, in the long run it is the cheapest method.

I have a couple of questions. Concerning the grant to the Western School of Veterinary Medicine, I understand that in 1967-68 there was a grant of \$750,000 and in 1968-69 there was \$1,050,000. I wonder what the total amount of grants has been and is anticipated to be.

In this connection, the Ontario Veterinary College at present is planning an expansion program and, as most members of the Committee are aware, the Ontario Veterinary College has provided most of the veterinarians for Canada outside of Quebec, and I think we are all pleased that a school is being established in the West now with their first graduates, I believe, next year.

There is a modernization program being anticipated at Guelph and I understand that requests have been made to the Department for more funds, or for some federal grants, because of the fact that the Guelph school

provides education for the Maritimes and some of the students from Manitoba and, indeed, from all provinces. I wonder what the Department's approach will be towards this.

• 1015

I understand that the President of the University of Guelph has been thinking in terms of supplying education to Ontario students first unless the school is expanded to the 110 students, I believe it is, that they would like to expand it to from the present 70 students. I wonder what the Department's feeling towards federal grants to the Ontario Veterinary College will be.

Also, I notice an item for the brucellosis vaccine and I wonder whether this is going to continue to be made in the future and how fast this program will be phased out? Most provinces are not paying for this now and I wonder whether there is a plan to phase this out in the immediate future.

Mr. S. B. Williams (Deputy Minister of Agriculture, Canada Department of Agriculture, Health of Animals Branch): The first part of the question with respect to the Department's views and position concerning federal grants to veterinary colleges referred to the total size of the grant to the Western School of Veterinary Medicine. The Department has been authorized to include in its estimates a total of 37.5 per cent of the cost to the college, up to a maximum of \$3 million. It is divided over the different years, depending on the progress of construction and the rate of expenditure made by the university during the construction.

Mr. Foster: Is this a total federal grant of up to \$3 million?

Mr. Williams: This is a total grant from the Department of Agriculture, that is correct, up to \$3 million, subject also to the provision of a maximum of 37.5 per cent of the total cost. In other words, if 37.5 per cent of the total cost is more than \$3 million, the grant will still be limited to \$3 million.

Mr. Foster: Yes.

Mr. Williams: Concerning the other portion of the question, the President of Guelph University has met with Mr. Olson, the Minister of Agriculture, and without making any commitment Mr. Olson has instructed the Health of Animals Branch to meet with its counterparts at the Ontario Veterinary College to examine this entire question.

Mr. Foster: I had a couple of other questions.

Dr. Wells: With respect to Dr. Foster's question on brucellosis vaccine, we started in 1951 with between an 8 to 9 per cent brucellosis infection in this country. At that time we commenced a federal-provincial combined program for the vaccination of as many calves as possible against brucellosis. During the period from 1951 until 1957 we reached the stage where we were vaccinating practically 90 per cent of the female replacements. The Department bought, paid for, and distributed to the provinces, all the *Brucella Abortis* vaccine that was used.

In 1957 we started the eradication program for brucellosis and the national infection rate for brucellosis is now down to less than one tenth of 1 per cent. The time has therefore come when brucellosis vaccine must gradually be de-emphasized. Now, it is not the intention of the Department to prohibit the use of *Brucella Abortis* vaccine, but in actual fact we are on the road to successful eradication of the disease and there is no object in maintaining a perpetual cost of vaccination when the disease does not exist in the country.

In addition to that, of course, vaccination with *Brucella Abortis* does cloud to a limited issue the problems of testing for the disease. Therefore, we are gradually de-emphasizing the use of vaccine, but not in any way intending arbitrarily to prohibit its use for some years to come until the disease has been totally eradicated from this country.

In addition, of course, there are some countries where there is a heavy infection of the disease and want cattle vaccinated; therefore, for this purpose vaccine will be continued for some time at the owners' wishes.

The Chairman: May I recognize Mr. Lessard on a supplementary and then come back to you, Dr. Foster?

[Interpretation]

Mr. Lessard (Lac-Saint-Jean): Dr. Wells, in the province of Quebec, you just said that you have made a lot of progress, because the rate of herd infection has gone down from 8 or 9 per cent to 0.1 per cent but in the Province of Quebec, in recent years, we have been badly affected specially in Saguenay and Lake Saint-John areas. I know owners whose herds were completely destroyed by brucellosis, and I am wondering if the Federal Government also furnishes treatments to prevent brucel-

losis in the Province of Quebec? Have you joined in a program for preventing the disease or do you merely detect it and slaughter the animals affected? What success have you had in the Province of Quebec? You talk of success of .1 of 1 p. 100 of cows attacked, but when you apply this to the province of Quebec, what is the situation there?

[English]

Dr. Wells: The situation in the Province of Quebec is exactly similar to that of the rest of the provinces in the country. The Province of Quebec did not come into the original Federal-Provincial Calfhood Vaccination Program as early as the other provinces but did come in about three years later than the others, and at the same time the general eradication scheme of 1957 started in the Province of Quebec as it started in all other provinces.

Today in Quebec there are 78. The province is divided into 78 areas and all of these 78 areas have been tested. We have tested just under two million cattle in the Province of Quebec, and 64 of those 78 areas are certified. Fourteen of the areas, in fact, have gone beyond the certification point to the point of freedom from brucellosis, so that the Province of Quebec has the same status as the rest of the country and is coming along just as well as any of the other provinces.

● 1020

Mr. Lessard (Lac-Saint-Jean): Did I understand you correctly when you mentioned that you were paying \$140 per cow when it had to be slaughtered? Is that what you are paying?

Dr. Wells: Yes. The compensation payable when animals are ordered slaughtered is a maximum of \$140 for purebred registered animals and a maximum of \$70 for grade animals. That maximum is not paid in all cases as it depends upon the age of the animal, the condition of the animal, and her state of pregnancy.

Mr. Lessard (Lac-Saint-Jean): What would the average be—\$100.00?

Dr. Wells: The average compensation is \$58.00, including all of the calves, of course, plus the slaughter value of the animal which the owner receives when the animal is slaughtered.

Mr. Lessard (Lac-Saint-Jean): Is this paid directly to the farmer or through the provincial governments?

Dr. Wells: It is paid directly from the Department of Agriculture to the farmer. It is under the provisions of Sections 11 and 12 of the Animal Contagious Diseases Act.

Mr. Lessard (Lac-Saint-Jean): Thank you very much.

The Chairman: We will return to Dr. Foster.

Mr. Foster: My next question concerns research. The Minister mentioned in his opening statement a week or two ago that there were plans to make cuts in the grants and money spent on research, and I wonder if any of these cuts are in the field of animal health research.

As a practitioner, it seemed to me that in dairy cattle our greatest losses from disease were due to infertility and mastitis. I would say that at least a third or half of the cows that were shipped out as no longer being profitable enterprise had these two diseases. I wonder if the federal government is planning to do anything in this area, either in research or in a disease prevention program.

• 1025

Dr. J. Frank (Director, Animal Pathology Division, Department of Agriculture): To answer your question about the areas of research, namely mastitis and infertility, we do have a program of infertility research which we have had for a number of years with Dr. Douglas Mitchell. We have added recently a physiologist who will be working with him in this area because a number of the problems involve physiological dysfunction, and this is one area that we are pursuing rather actively.

In mastitis we are doing only limited research as most of the work in mastitis is being done at the provincial level. We are doing and have done work on the effect of various viruses in the udder and the role that they play in stimulating or fostering infection.

The Chairman: I think Mr. Williams had a comment. I am sorry, did I interrupt you?

Dr. Frank: No, I had finished.

The Chairman: Mr. Williams had a comment concerning part of your question.

Mr. Williams: Mr. Chairman, unfortunately I do not have in front of me the transcript of the first meeting but I thought I should correct what possibly might be a misunderstanding,

and maybe a misunderstanding on my part. I believe Dr. Foster in prefacing his last question indicated that the Minister had stated that there would be a cutback in research.

Mr. Foster: Yes, this is what I understood.

Mr. Williams: I think that possibly there is some misunderstanding here. I will read the statement that he made in respect of this. I can easily see where the misunderstanding might well arise. He stated, and I will not give the preface to this sentence,

These goals can be met on a continuing basis if the industry is supported by an energetic and responsible research program, but the rising unit cost of essential inputs is also a major limiting factor.

In other words, I believe the implication was not that there is a cutback but rather that there would be little or no expansion because of the increased cost of the inputs.

Thank you, Mr. Chairman.

The Chairman: I will recognize Mr. Thomson (Battleford-Kindersley).

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I have a question in regard to the Veterinary college at Saskatoon. I wondered for example, if they had enough students, or enough raw material, if you will, to make a graduate college. How many might be expected to graduate there? Is it difficult to get enough students? Also, do they give out any bursaries or scholarships of any kind at this college, and do they have any research program involving some of the students in this connection?

The Chairman: Dr. Wells.

Dr. Wells: Yes, Mr. Chairman, there is an adequate demand by students to enter the veterinary college at the University of Saskatchewan. Approximately 30 students will be graduating this spring for the first graduation exercises and it is their intention over the next four or five years to increase this to 60. It would appear at the moment that there is, in fact, greater demand on the part of students to enter the college than can be accommodated in the facilities.

With respect to grants, sir, certainly they do conduct considerable research and will be conducting more, of course, at the Saskatchewan Veterinary College, as this is becoming more and more an integral part of teaching.

With respect to scholarships I cannot really answer you, sir. We do not have any scholarships or grants with respect to students entering veterinary schools but there is, of course, the Canada bursary and in addition to that, the various provinces have assistance programs.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, could I pursue this part a little further? For example, I know a university student who is studying soils under a bursary system. He is taking his Masters degree. I understand that he is getting paid to go to university. You do not give any similar assistance—at least, it does not come under this Department, if you will?

• 1030

Mr. Williams: Mr. Chairman, we have within the Department a program of post-graduate studies whereby we do send employees, and this applies to research people and professionals in all parts of the Department. It is equally applicable to the veterinary sciences and we do have such people away where the type of work that they are undertaking is directly related to the program of the Department. We have various arrangements depending upon the closeness of this relationship and the need that we have to have a man with these particular talents and we pay everything; at least the arrangements range over a wide spectrum in terms of the assistance that is granted, but this is to full-time continuing employees of the Department who are on the strength of the Department.

Mr. Thomson (Battleford-Kindersley): Thank you.

Mr. Whicher: I have a supplementary. What do you do to keep these people? Supposing you pay them to go to college and get this education and then they get a big offer from Idaho. Can you stop them from going down?

Mr. Williams: At one time there was a requirement that they must remain in the employ of the federal government for, I believe, one year after their return. This requirement was later dropped because apparently it had no legal status. In general, we make the effort in the other direction by trying to make the facilities and the terms and conditions of employment in the federal government as attractive as possible so we do not lose them. But to answer the hard question you have asked, if we send a person

away on educational leave and he gets a very great offer after that, we lose him.

Mr. Whicher: Mr. Chairman, I think that is most unfortunate. You said that there was no legal status to this requirement of some years ago that they had to remain for a year. I understand that in the Armed Forces they have to sign for five years.

Mr. Williams: I believe the terms and conditions of employment, sir, in the Armed Forces are somewhat different from those in the Civil Service.

Mr. Whicher: That is true, but on the other hand, they sign for five years and they are citizens of Canada. My point, Mr. Chairman, is that I do not think that Canada can afford to educate young people, whether it be in your Department or any other, and then have them go automatically to the United States, to sunny California.

I suggest that we develop some manner of legal status so that these people have to sign to stay with your Department and I suggest that one year is not enough. They should stay for three years. This probably is not a nice thing to have to do, but the fact is that we need these trained people in Canada; not only do we need their services after the taxpayer has trained them but we need their tax dollars and I do not think we in Canada can afford to let these people go.

Mr. Williams: I think, sir, that we would have to agree with you fully. This is not a policy that is limited to the Department of Agriculture; this is a government-wide policy and I can assure you that we will raise questions again on it because we do agree.

I think you will appreciate, however, there are great difficulties other than legal difficulties if you are trying to employ people in what might in essence be press service if they get a big offer somewhere else and you say, "No, you cannot go because of your obligations". I must say, however, in defence of the present policy that we lose extremely few people in toto.

Mr. Whicher: This is different from the medical profession where we lose a third of them every year, like last year.

Mr. Williams: I would be pleased to provide the Committee with figures if they are interested in the type of wastage that we get within a year, say, after we have a man come

back from educational leave if it would be of interest to the Committee. I think we could provide that; I do not have it with me.

Mr. Whicher: I have just one more question, Mr. Chairman. Concerning people coming into Canada, for example Czechoslovaks, if there were a well-qualified man according to their standards—that is, who had gone to the University of Prague—would you take him on provided their standards were up to yours? For example, a medical man cannot practise here in the Province of Ontario anyway. Could he with you?

Mr. Williams: It depends, sir, entirely on what area you are talking about. If you are talking about the Health of Animals Branch we have one overriding consideration which is part of the legislation governing the employment in the Civil Service, namely that there is preference for Canadian citizens or people who have come to this country with five years residence in this country. They are required to have five years residence.

However, if there is a shortage of a particular type of person or there is a particular need for that person, those residence qualifications can be waived. Now, in respect of employment as a professional veterinarian, I think I will let Dr. Wells answer that part of the question.

The Chairman: Dr. Wells?

• 1035

Dr. Wells: Mr. Chairman, basically the recognition or registration of professional people in Canada is under provincial jurisdiction and each province in Canada has a veterinary practice act which provides for the registration of veterinarians as fully qualified veterinarians.

This is supplemented by a Committee of the Canadian Veterinary Medical Association and all foreign veterinarians coming into Canada submit their credentials to the Registration Committee of the Canadian Veterinary Medical Association who assess their credentials and if, in fact, the individual is a graduate of a recognized veterinary college, then they are subject either to automatic registration or the writing of an examination in order to register. Now, this varies from country to country around the world and, of course, from college to college within individual countries around the world.

An hon. Member: Could I ask a supplementary question here?

The Chairman: Gentlemen, I think we have pursued this on a supplementary basis about far enough. It is one way of intruding on the time of the Committee and the questioners who are on the list and, if you will agree with me, I would like to recognize the next questioner on my list which is Mr. Lessard, followed by Mr. Korchinski, Mr. Roy and Mr. Pringle.

Mr. Lessard: I have a short question.

[Interpretation]

The subsidies to faculties of agriculture for research, provided by veterinarians of the Province, with regard to Québec, recently, during the last years, has your department granted any subsidies to the province of Québec?

Secondly. In the case of hog diseases, what have we done to prevent and to cure diseases for pigs in Québec?

[English]

Mr. Williams: In reply to the first part of the questions, Mr. Chairman, the assistance direct grants to universities for particular research work is covered in the earlier vote of the Research Branch and is handled by a single committee in which the Health of Animals Branch are handled but for convenience the funds are all grouped in that previous vote and they do apply everywhere to all parts of the Department and to all parts of Canada. Dr. Wells will answer the second part of the question.

Dr. Wells: With respect to swine diseases, we do a considerable amount of research on swine diseases at the Animal Diseases Research Institute and this is headed up by Dr. L'Écuyer who is considered to be one of the top-notch American swine disease research people. He is at our laboratory in Hull and directs our swine disease research.

Research is done with respect to baby pig pneumonia, infectious skin conditions and many other diseases of swine. So far as serious swine diseases are concerned, the country is relatively free from most of them. As an example, hog cholera is perhaps the most devastating disease of hogs and this disease has been successfully kept out and eradicated each time that it was introduced into Canada for the past 60 years.

It is of interest to note, with respect to an earlier remark about the cost of living with the disease or the cost of living without it,

that over the past 60 years hog cholera has been eradicated—and this is perhaps one of the most devastating diseases of swine—by the slaughter method, and the compensation for all hogs slaughtered cost the government approximately four cents for each hog that has gone to market during this same 60-year period.

In the United States where they have, in fact, lived with the disease during this same period, the cost of living with the disease—that is the cost of vaccination, the cost of suffering the mortality and the morbidity from the disease—is estimated at one dollar per hog and it is obvious from this that we can live without the disease 25 times cheaper than we can live with it. In actual fact, so long as we can keep this country free from hog cholera we save the hog producers roughly a dollar for each hog which is marketed each year, which is around \$7 million a year.

• 1040

Now, the same thing applies to African swine fever. Considerable research work is done on these exotic diseases which we do not have, so that if the time comes when they do accidentally get into the country we will be able to handle them.

Mr. Lessard: Thank you.

The Chairman: I recognize Mr. Korchinski.

Mr. Roy (Laval): I have a brief supplementary.

[*Interpretation*]

First of all you worked on the main disease, rhinitis, which still exists. We are faced to an increasing extent, with the problem of sterility in breeding sows, which is taking a heavy toll at present. It is not known whether the disease is contagious or is a problem associated with cross-breeding.

[*English*]

Dr. Wells: Mr. Chairman, the member first mentioned rhinitis. We are doing little work on rhinitis at the moment because it is not really considered to be a serious disease in the country at this time. It has been over the years, but considerable work has been done and it is gradually disappearing.

With respect to infertility in swine, yes, we are doing work on infertility in swine at the Animal Diseases Research Institute. There are no concrete conclusions that one can simply lay on the table, saying that this has been

done, but there is a continuing process of attempting to assess the infertility problem.

Mr. Korchinski: I have two questions. First I want to pursue the line of thought that was started earlier in regard to graduate students.

I do not know whether or not I will get into an argument with the Civil Service Commission, but I make the suggestion that when we give grants, regardless of whether it is in this Department or in other departments, could there not be a system worked out whereby the student is under contract and actually hired, or is contracting, to do a certain work and does not actually go into the Civil Service until completion of one year, or whatever the requirement we set? Has any thought been given to that type of arrangement?

I do not understand the legal niceties of that other arrangement, but this might perhaps be one way of getting around it.

Mr. Williams: Mr. Chairman, there is an arrangement that approximates the type of arrangement that Mr. Korchinsky has just described. Under it we give grants to universities on occasion to have specific pieces of work done to complement, or to supplement, work that we are doing. In that case we might enter into a contract with the university to have Mr. so-and-so conduct such-and-such work, possibly as part of his undergraduate work or postgraduate work, or possibly not; usually the former, however. This man, however, is not a civil servant at that time, and he may or may not become a civil servant later.

The type of arrangement about which I spoke was where people who had been civil servants, and sometimes had been employed for some time in the Civil Service, were given leave to obtain further education. These were under the varying conditions that I spoke of, in terms of pay, allowances and salaries.

In general, it is related to the relevancy of the work that they are doing and the need that we have for it. Sometimes it is simply leave without pay and nothing is paid at all; in other cases it may go as far as full pay.

Mr. Korchinski: But in all cases this is an arrangement with an institution rather than with an individual; is that right?

Mr. Williams: Usually the arrangement is through the institution, but very often a spe-

cific individual may be named to do the work when the contractual work is drawn up.

Mr. Korchinski: My other question relates to an apparent outbreak of a disease by the name of anaplasmosis in Manitoba several months ago. I do not know very much about it—thank goodness—but has the Department checked into it? Has it found out the source of the disease, has it been able to check it, has it found out where it originated and is there a possibility of further outbreaks?

• 1045

Dr. Wells: Yes, Mr. Chairman, in August of 1968 there were several cases of anaplasmosis uncovered on a ranch in southeastern Manitoba in the Marchand area.

As a result of the initial diagnosis all of the cattle on 16 adjoining ranches in the area were submitted to tests—well over 2,000. As a result of the test, infection was uncovered on two ranches, and involved 209 animals.

The two infected farms, and all those surrounding, were quarantined to prevent the spread of the disease, and the 209 reacting animals were ordered slaughtered under the provisions of the Animal Contagious Diseases Act.

The owners were paid compensation of approximately \$47,000 for the 209 animals slaughtered.

The area is still under close scrutiny and observation, and will be kept under observation to ensure that the disease does not become established or is not still in the district, or the area.

Mr. Korchinski: Have you been able to locate the source?

Mr. Wells: Yes; the source was cattle brought in for breeding purposes from the United States.

Mr. Korchinski: At the moment you are just watching and observing. For the benefit of those who are perhaps not too familiar with this disease could you describe its symptoms?

Dr. Wells: Basically, anaplasmosis is simply a debilitating disease. It is a blood infection spread by biting flies. The animals seem to lose flesh, and there is a high mortality rate.

Mr. Korchinski: Thank you.

Mr. Gleave: I have a supplementary. Is there any vaccine, for it, Mr. Chairman?

Dr. Wells: Yes, there is a vaccine available in the United States, although its use is questionable. It is not our intention to vaccinate.

As a matter of fact, over the years there has been some anaplasmosis in the United States, and the importation of cattle from the United States is, of course, subject to health certification.

Mr. Korchinski: I have one other question. Is there a large amount of anaplasmosis in the United States, or in other countries?

Dr. Wells: Yes; there is a considerable amount of it in the southern areas of the United States.

Mr. Korchinski: And in other countries?

Dr. Wells: Yes.

The Chairman: Thank you, Mr. Korchinski. I recognize Mr. Roy (Laval)

[Interpretation]

Mr. Roy (Laval): Mr. Chairman, two questions. Are you continuing your researches on a problem which is called dairy fever in our dairy cattle. And secondly acetony. I also we spoke about hog cholera. Do you know whether swine are still fed on garbage? And when this sickness was raging it was suggested this might be one of the causes, the virus might have been carried by refuse eaten by swine. And unfortunately, there are still people who feed their hogs what's is called "pig-swill" and is the department tracking down these producers so that we can avoid this problem?

[English]

Dr. Wells: On the first part of your question, sir, as was indicated earlier, the Department has done considerable research on milk fever, but this has slackened off because the majority of such research is now carried on at the veterinary colleges and by provincial research organizations.

The same applies to the second disease you mentioned, which I think was acetonymia.

Acetonymia is reasonably well known. Basically, the condition is well-understood and the treatment is reasonably well-understood. It is primarily a lack of blood-sugar. The physiological conditions giving rise to this lack are, of course, being studied.

Relative to the third part of your question, sir, the feeding of garbage to swine, yes, the

Department is well aware of this. In fact, we recognize that this is in all probability the major source of the spread of hog cholera and other diseases in swine in our country.

• 1050

As a result, under the regulations of the Animal Contagious Diseases Act the feeding of garbage to swine is subject to licence and control under the provisions of the Animal Contagious Diseases Act; and all premises in which there is feeding of garbage to swine or to poultry must be licensed and must have equipment on the premises before they get a licence to adequately boil or cook that garbage in order that any infection in it will in fact be killed before it reaches the swine. This has been going on since about 1915, I think, in Canada. There are at the moment a total of 275 licensed garbage feeding premises in Canada of which 70 are in Quebec; in Newfoundland 3; Prince Edward Island 3; Nova Scotia 41; New Brunswick 9; Quebec 70; Ontario 97; Manitoba 8; Saskatchewan 2; Alberta 12; and British Columbia 30.

This garbage feeding, in addition to acting as one of the greatest factors in eliminating the spread of hog cholera in this country, has at the same time been one of the greatest factors in reducing trichinosis in swine, by the same token of cooking all the garbage, so that the trichinae are killed before it is fed to swine.

The Chairman: Thank you, Dr. Wells.

The Chairman: I recognize Mr. Pringle from Fraser Valley East.

Mr. Pringle: Mr. Chairman, I too would like to preface my remarks by saying that my questions are going to be related to processing and international movement, and I feel that the work done by the Health of Animals Division with regard to meat inspection has been nothing less than spectacular over the years in which they have been involved. There seems to be an improvement going on all the time and continuing, so I feel that should be on the record.

There are some questions brought to me from time to time with regard to the international movements relating to the standards and regulations of processing a product in the United States and then shipping it into Canada. It is felt in some areas that there is an advantage possibly to the costs of processing in the U.S.A. by virtue of their standards which may not be considered to be satisfactory

by our standards, and consequently less expensive. I am not suggesting that this is absolutely the case. I am just saying that these questions are brought up. I think it would be of advantage to the Committee if we could get a statement from the Meat Inspection Branch of the Health of Animals Division relating to this.

I am referring, for instance, to how we test the use of esterogens, which is against our laws, and how we check them with regard to some things like moving kidneys and various things that they do not have to do in some areas down there, also particular types of packaging where they can use opaque cryovac and we are not permitted to use different types of opaque and, different types of packaging and removing the feet at the beginning of the processing procedure in poultry instead of at the end as we do here, and so on and so forth. Could we have a statement so that we could have on record how we stand with regard to international processing?

The Chairman: The question will be taken by Dr. Hetherington.

Dr. C. K. Hetherington (Director, Meat Inspection Division, Department of Agriculture): Mr. Chairman, possibly I could answer the first part of the question by saying that the international movement of meats and poultry products is subject to the regulations of the Canada Meat Inspection Act.

In so far as the international movement of meats and canned food products into Canada is concerned, possibly I should preface my remarks by saying that our exports last year were possibly 125 million pounds and we imported 124 million pounds. So they are very close.

• 1055

The Government of Canada recognizes the meat inspection program of some 30 countries. These 30 countries initially are allowed to import sterile canned cooked products. These 30 countries include the United States, Australia, New Zealand and Ireland, which are allowed to send us meat and poultry products which are not necessarily sterile canned cooked. In other words, they could be processed, raw, fresh, frozen, and the like. Most of our poultry products, imports which can vary each year from possibly 12 million to 20 million pounds per annum, come from the United States.

We do not have officers visiting the plants in the United States. The shipments arrive in Canada and they are required to comply with the Canadian regulations, that is, the Canada Meat Inspection Act and regulations, as well as the Food and Drugs Act and regulations. Each shipment must be properly marked. The marking must have the common name of the product, the statement "Product of U.S.A.", the net weight, the name and address of the producer, and the inspection mark. In addition, of course, there must be a certificate with each shipment which states that the goods have been prepared from animals which received anti- and post-mortem inspection, were prepared in a sanitary manner, are wholesome and fit for food, and actually comply with the Canadian regulations.

Despite this fact, there are differences of opinion between our inspection programs. We try to keep the programs as even as we can to permit the movement from one country to another, and I suppose, Mr. Chairman, possibly what Mr. Pringle is referring to is the use of phosphates in the manufacture of poultry products. The use of phosphates is permitted in the United States. As of this date, it is not permitted in Canada. This means that if a firm is preparing processed poultry products for Canada, they cannot use a phosphate in that product.

We go so far as to accept statements from the management and statements from the inspectors that phosphates are not used in the product entering Canada. We also test the finished product as it enters Canada but, here again, I must say that we have a very weak point for the simple reason that poultry raised in different parts of the United States, between points A and B, will have twice the amount of phosphates one from the other. Therefore, a chemical test is not suitable, and we must rely on the inspectors who actually do the inspection as well as the management of the plant that prepared the product.

However, this is something we may possibly overcome because, in short order, likely phosphates will be made available to the manufacturers of poultry products in Canada.

The Chairman: Dr. Hetherington, may I interrupt you. We thank you. I think that is a very complete answer. We have to vacate this room at eleven o'clock. May I thank Mr. Williams and Dr. Wells, Mr. Jarvis and the other gentlemen who have attended our meeting this morning.

Mr. Thomson (Battleford-Kinderley): Mr. Chairman, one question to Dr. Wells. Would he be prepared to give the Committee a statement on an investigation that took place into a flock of chickens in the Selkirk area where there apparently was radiation sickness from the proximity to radar towers? Would he give us some information on that?

Dr. Wells: We will endeavour to get that information and have the answer for you when we come back to Item 1.

The Chairman: Gentlemen, shall Item 40 carry?

Mr. Thomson (Battleford-Kindersley): No, Mr. Chairman, I am going on, on this item.

The Chairman: I assumed the information was not available today. Is that correct?

Dr. Wells: No, we do not have it today.

Mr. Thomson (Battleford-Kindersley): Can we not stand this item while the information is procured?

The Chairman: Well, I am in the hands of the Committee.

• 1100

Mr. Thomson (Battleford-Kindersley): That was a microwave tower rather than a radar tower in that question.

The Chairman: Was that not a microwave tower?

An hon. Member: Under Item 1.

The Chairman: It could be covered under Item 1 if the Committee is agreeable, but I am in your hands.

Dr. Wells: We are prepared to submit a statement. There is no problem about that at all.

An hon. Member: Let us stand the item then.

The Chairman: What is the wish of the Committee?

Mr. Korchinski: I think we should stand it.

An hon. Member: I agreed.

Mr. Southam: Mr. Chairman, there are several more questions to be put under Item 40, and I think Mr. Korchinski's suggestion is well taken. I think we should stand it and possibly clear it up at the next meeting without too much difficulty.

The Chairman: Is it agreeable to stand Votes 40 and 45 and we will continue with them next Thursday, when our next meeting will be called. Then we will also call, assuming that Votes 40 and 45 will not take up the time of the full meeting, the Farm Credit Corporation for that meeting as well. Is that the wish of the meeting?

An hon. Member: What about the Canadian Dairy Commission?

The Chairman: We have either one of three, which would you prefer? I would welcome the advice of the Committee. Would you like to have the Farm Credit Corporation or the Canadian Dairy Commission next week. After we have disposed of these two votes.

Mr. Foster: Which will take the less time of those two.

The Chairman: That is a good question.

Mr. Peters: If I could make a suggestion Mr. Chairman, we have had considerable discussion on the Farm Credit Corporation and I

would suggest that we have the Canadian Dairy Commission.

The Chairman: I would like to have the feeling of the members on this.

Mr. Southam: They are both important subjects, Mr. Chairman. Which would be more convenient for the officials.

The Chairman: I would think that probably in view of the fact that we have had considerable discussion on the Farm Credit Corporation that we might dispose of that estimate in the portion of the next meeting which remains after we conclude our discussion on Votes 40 and 45.

Mr. Peters: It was my thought, Mr. Chairman, that as we have not yet decided on the interest rate we really do not know what we are talking about in terms of the new legislation.

Mr. Foster: Mr. Chairman, I suggest we call Farm Credit Corporation as well as...

The Chairman: Gentlemen, the meeting is adjourned to the call of the Chair.

OFFICIAL REPORT OF MINUTES
OF
PROCEEDINGS AND EVIDENCE

This edition contains the English deliberations and/or a translation into English of the French.

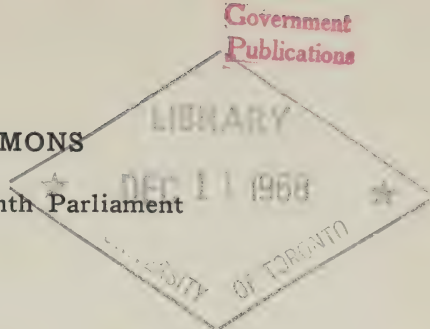
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Translations under the direction of the Bureau for Translations, Secretary of State.

ALISTAIR FRASER,
The Clerk of the House.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament
1968



STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 6

THURSDAY, NOVEMBER 14, 1968

Revised Main Estimates (1968-69) relating to Agriculture

APPEARING:

The Hon. H. A. Olson, Minister of Agriculture.

WITNESSES:

From the Health of Animals Branch of the Department of Agriculture:
Dr. K. F. Wells, Veterinary Director General; Dr. J. Frank, Director,
Animal Pathology Division.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (*Lac-Saint-Jean*)

and

Mr. Barrett,
Mr. Clermont,
Mr. Cobbe,
Mr. Côté (*Richelieu*),
Mr. Douglas,
Mr. Foster,
Mr. Gauthier,
Mr. Gleave,
Mr. Gundlock,
Mr. Horner,

Mr. Howard (*Okanagan
Boundary*),
Mr. Korchinski,
Mr. Lambert (*Bellechasse*),
Mr. La Salle,
Mr. Lefebvre,
Mr. Lind,
²Mr. Mazankowski,
Mr. McKinley,
Mr. Noble,
Mr. Peters,

Mr. Pringle,
Mr. Roy (*Laval*),
Mr. Smith (*Saint-Jean*),
Mr. Southam,
¹Mr. Stewart (*Marquette*),
Mr. Stewart (*Okanagan-
Kootenay*),
Mr. Thomson (*Battleford-
Kindersley*),
Mr. Whicher,
Mr. Yanakis—(30).

Michael A. Measures,
Clerk of the Committee.

¹ Replaced Mr. Muir (*Lisgar*) on November 12, 1968.

² Replaced Mr. Horner on November 12, 1968.

CORRIGENDUM

Issue No. 2; Tuesday, October 29, 1968;

Evidence, page 1, right hand column, 14th last line:

“\$225.8 million” should read “\$255.8 million”

ORDER OF REFERENCE

TUESDAY, November 12, 1968.

Ordered,—That the names of Messrs. Stewart (*Marquette*) and Mazankowski be substituted for those of Messrs. Muir (*Lisgar*) and Horner on the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

THURSDAY, November 14, 1968.

(6)

The Standing Committee on Agriculture met at 9.40 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Douglas, Foster, Gauthier, La Salle, Lefebvre, Lessard (*Lac-Saint-Jean*), Lind, Mazankowski, McKinley, Peters, Pringle, Smith (*Saint-Jean*), Southam, Stewart (*Marquette*), Thomson (*Battleford-Kindersley*), Yanakis—(21).

In attendance: The Honourable H. A. Olson, Minister of Agriculture; *and from the Department of Agriculture:* Mr. S. B. Williams, Deputy Minister; Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing); *and from the Department's Health of Animals Branch:* Dr. K. F. Wells, Veterinary Director General; Drs. R. J. McClenaghan and J. Girard, Director and Assistant Director respectively, Contagious Diseases Division; Dr. W. A. Moynihan, Program Co-ordinator; Dr. C. K. Heatherington, Director, Meat Inspection Division; Dr. J. Frank, Director, Animal Pathology Division; and Mr. R. D. MacMillan, Administrative Officer.

The Chairman reported that arrangements had been made for members of the Committee to visit the Department's Food Research Institute, Ottawa Research Station, and Sir John Carling building, at the Central Experimental Farm, Ottawa, later this day, a visit previously planned for an earlier date.

The Chairman gave the First Report of the Subcommittee on Agenda and Procedure, as follows:

Your Subcommittee met on Thursday, November 7, 1968 and discussed the two matters referred to it by this main Committee on Thursday, October 17, 1968.

On the matter of a tour by the Committee of Eastern Canada, it is recommended that this subject be deferred and brought forward for consideration at a later date.

On the matter of the speed with which the Committee's French Proceedings are produced, it is recommended that this subject be left with the Chairman for appropriate action.

In addition your Subcommittee recommends the following plan for hearing witnesses on items of the referred estimates:

1968

Tuesday, November 19	Board of Grain Commissioners
Thursday, November 21	Canadian Dairy Commission
Tuesday, November 26	Canadian Livestock Feed Board
Thursday, November 28	Farm Credit Corporation

On motion of Mr. Barrett,

Resolved,—That the report of the Subcommittee be adopted.

The Committee resumed consideration of items 40 and 45 of the 1968-69 Revised Estimates relating to Agriculture under the heading of Health of Animals.

Dr. Wells was questioned, assisted by Mr. Williams and Dr. Frank.

With the questioning continuing, items 40 and 45 were allowed to stand.

At 10.34 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, November 14, 1968.

• 0939

The Chairman: Good morning, gentlemen; I see a quorum. I want to mention that later this morning at 10.30 the cars will leave the south door of the West Block for a tour of the Experimental Farm and Research Institute. We are going to have a look at some of the plant research work that is in progress and at some of the food research that is under way, and also visit the Sir John Carling building.

Since our last meeting the Subcommittee on Agenda and Procedure met. (For Subcommittee's report, see Minutes of Proceedings).

Is it the wish of the meeting that this report be accepted?

Mr. Barrett: I so move.

Mr. Côté (Richelieu): I second the motion.

Motion agreed to.

The Chairman: Gentlemen, we are pleased to have the Minister with us this morning. Mr. Olson, do you have any statement you wish to make?

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Chairman.

The Chairman: We will direct your attention then to Items 40 and 45 of the Revised Estimates relating to Agriculture under the heading of Health of Animals. We are pleased of course to have our witnesses present. I will recognize members of the Committee in the order in which they indicate they wish to ask questions. Mr. Peters, will you proceed.

Mr. Peters: Mr. Chairman, I am interested in the proposal that we have made a number of times, to go to Anticosti Island to see the quarantine station. Dr. Wells kindly made this offer a couple of times and for various reasons we were not able to go.

There has been much criticism in certain parts of Canada having to do particularly with the importation of cattle from France. I have been told of cases where a farmer has made an application for a Charolais permit and before the government has informed him that he will be given a permit an American visitor has gone to visit him, told him that he is going to get a permit, and offered him a very large sum of money for it. Anticosti Island is becoming a way station for the American importation of Charolais cattle. It is my opinion that this is a pretty loosely handled operation and, for that reason, I think it warrants some considerable discussion. I presume that Canadian breeders fully support the importation of Charolais cattle into Canada, not only from the export market angle but because of the desirability to cross these cattle with other breeds. Therefore, this should be a legitimate operation. Could you tell us more about this operation, as far as the Department is concerned, and why rumours prevail that the permit system is being abused.

• 0945

Dr. K. F. Wells (Veterinary Director General, Health of Animals Branch, Department of Agriculture): Mr. Chairman and gentlemen, I would like to suggest that we agree that we do have problems with respect to the distribution of import permits, but I would like to further suggest that a great many of the rumours are, in fact, rumours. When Mr. Peters indicated that United States citizens come to Canada and offer to buy permits before they are issued, this, Mr. Chairman, is in fact a rumour because when the final decision is made on the issuance of permits telegrams have gone out—at least for the past three years—within two or three hours—just as long as it takes to get them typed—to the individuals who are getting the permits. This is not only the first time that they know that they are getting permits but in fact it is the first time that the Department is aware of the final decision.

We do recognize that United States citizens have a fantastic interest in European cattle, which gives us

some concern. We have investigated these rumours and have found that many United States citizens interested in breeding cattle come to Canada on speculation. They in fact know who in Canada is interested in Charolais cattle. They in fact know who are applying for permits because they are in touch with one another from time to time. Therefore these people do contact many, many more people than ever get permits on the assumption, on the hope, on the expectation, or just on the simple chance that they will get a permit. So the suggestion that they come and contact people who are getting permits in advance of the people being advised is, in fact, a mathematical gamble—if they contact 20 people who are interested in Charolais and who have applied the chances are that they will hit one of them. Unfortunately, we immediately hear about the one, the other 19 are not reported to us.

This is a problem, sir. We do admit that there are difficulties and problems in the issuance of permits. We think that over the years we have improved the permit system. The first year it was rather simple because there were not more people applying than we could give cattle space for. The second year it became more difficult because of the increased number of applications; however, these still did not exceed the total capacity because we doubled the capacity of the Grosse Ile quarantine station. The third year of course it became obvious that we were in difficulty. To overcome this difficulty, we allotted, first, one each to those who had imported previously and then drew lots for the remaining. The drawing of lots was not too impressive in that we felt that it excluded from the operation any possibility of the application of intelligence, even though that may be questioned. Last year it was then decided that we should in fact ask for a project proposal, which we did, and every applicant was sent a form and asked to put on that form his project proposal—what he in fact intended to do with these cattle and how he intended to use them.

I would like to say, Mr. Chairman, that this does not involve only Charolais cattle. The word Charolais is generally used but at the moment it involves cattle from countries in Europe, and to date France and Switzerland have been approved for this operation. In addition to Charolais we have Limousin, Simmental, Pie Rouge and Main Anjou, so that they are not all of the Charolais breed.

• 0950

Then a committee was formed of two senior representatives of the Animal Research Institute of the

Department, a senior professional academician from the University of Manitoba who is involved in genetic research and a representative of the Canadian Charolais Association, because that is the major breed involved. This committee of four assessed all of these project proposals, which were anonymous. All the names of the actual people involved were taken from the project proposals which were submitted to the committee without any evidence of whose project, in fact, was being considered.

The project committee then gave the Department advice on the order in which these permits, in its view, should be issued. Basically we then simply accepted this proposed suggestion, the arrangement of order by the committee, who examined the projects without knowing whose they were examining, and then issued permits on the basis of the project priority given by the committee.

So far as we know, we have stopped if not totally, certainly to a great extent the abuses with respect to permits. The permits, as you are aware, are non-transferable and if we could at any time establish that a permit had, in fact, been transferred it would, sir, immediately be cancelled.

Another point which may be worth mentioning is that there are not quite as many cattle exported as is the general impression. According to our records we have imported 956 cattle through Grosse Ile quarantine station. Of these, 904 are still in Canada, 7 died, for a total of 911, leaving 45 head of cattle out of the 956 that came through Grosse Ile as having been exported.

Now, there are two other features. Incidentally, I should mention that in addition to the 45 that have been exported there is a very small number, I think perhaps six, seven or eight at the most, which have been given temporary licences for export to the United States for show purposes.

First perhaps I should go back and say that when a man gets a permit to import cattle from certain European countries he has to sign an agreement that an export permit for these cattle will not be applied for for three years. Unfortunately this restriction did not apply to the first year's importation but all subsequent importations are subject to this ruling. Then in September, 1967 an export embargo was placed upon the Charolais cattle imported into this country and none imported through Grosse Ile have been exported since that date except, as I was about to say, where people wished to take an imported Charolais animal to the United States for show pur-

poses. This, in fact, is their life's blood if they are going to stay in the breeding business and in these cases we issued a temporary export licence up to the maximum period on the submission to us of a \$50,000 bond in the name of Canada as a beneficiary should that animal not be returned to Canada during the specified period. In all cases of temporary export we have a \$50,000 bond guaranteeing the return of the animal.

Mr. Peters: May I ask several other questions? You mentioned that we did not allow transfer of a permit. After the three-year period does this animal become free to be an export commodity?

Dr. Wells: Not at the present time because of the export embargo under the Export and Import Permits Act.

• 1000

Mr. Peters: Well, a lot of them are finding their way into the United States, obviously. Can the United States get these Charolais in any other way?

Dr. Wells: No, at the moment they cannot. They do not permit the direct importation of cattle from European countries.

Mr. Peters: I believe they allow some free access from Mexico now since that foot and mouth disease is under control. Perhaps Cuba is in the same category or Guyana or some of these other countries. Do any of them maintain a quarantine station?

Dr. Wells: No; we are the only country on the North American Continent maintaining this type of quarantine station. Mexico does not have one and the United States will not accept livestock from Cuba.

Mr. Peters: So really the only country that Charolais can come into is Canada.

Dr. Wells: Yes, in the North American and South American Continents. Now, in addition to this, of course, cattle from France can be imported into England, Northern Ireland and Eire or Southern Ireland, and these or their offspring can in turn be shipped to the United States or Canada. Also cattle can be imported from France into Japan and in turn the offspring of these cattle can be shipped to the United States.

Mr. Peters: How extensive is this? This seems to be a very roundabout way of purchase. The whole

project for getting cattle of this particular breed is pretty roundabout. To your knowledge, how extensive is the importation of second-generation progeny from other countries?

Dr. Wells: It is just commencing at the moment. The Japanese have just reached their agreement, as I understand it, with the United States officials on the importation of first-generation progeny from the original cattle imported into Japan. These cattle are subject to two months quarantine on a farm in Japan, two months quarantine in the official quarantine station in Japan, an ocean voyage from Japan to the New York and two months quarantine in New York.

Mr. Peters: They do have a limited quarantine, then? A large animal quarantine station?

Dr. Wells: Yes, the United States have one at New York but it is not fitted nor accepted for cattle direct from Europe.

Mr. Peters: Concerning the quarantine station at Grosse Ile, are we limited in Canada? Unfortunately I am not from the West so I am not really sure what the advantages of Charolais over many of the other heavier exotic breeds may be, but it would appear that there is considerable interest in this, at least to the extent of a cross. Do we have enough room at Grosse Ile now? Obviously we are getting into two fields. If the United States is finding an alternative method that probably will not be a problem in five years or three or four years, but we seem to be quite short yet—this is a very valuable commodity yet. Do we have enough capacity for the anticipated breeders' desires to import cattle, not only Charolais but other kinds? Is the foreseeable size of Grosse Ile sufficient for this purpose?

Dr. Wells: If one were to take any one point of time such as this year, the answer would be that our capacity at Grosse Ile is not adequate, but then if one were to project the question to a matter of time in the future in comparison with the cost of meeting an immediate and temporary need of today, the answer would be yes, we do have adequate facilities. In fact, we have facilities for 240 head at Grosse Ile and we can make one importation a year. We could, in fact, fill the quarantine station with a thousand head at Grosse Ile, certainly this year and next year and the year after, but from then on—this is only speculation—I think the facilities would be greatly underused.

Mr. Peters: These animals are so valuable that you cannot use a loose-housing arrangement; they have to be individually . . .

Dr. Wells: Well, we do use box stalls. They are not individually tied but they must be inside, of course, for our quarantine purposes. However, we do house them in box stalls.

Mr. Peters: You mention it is for quarantine purposes. Why would that be? Would there be a difference in incubation?

Dr. Wells: No, but there would be the possibility of birds and rodents if in fact they were not inside.

Mr. Peters: In Grosse Ile do we also bring in horses?

Mr. Wells: No, we have no need to bring in horses. The horse diseases with which we are concerned are either sufficiently serious that there are no tests for them, in that they cannot come into the country at all, or they are those with which we are concerned which come from countries where we know the status of these diseases and we can test for them and there is no need for this long-term quarantine of horses. It is simply a matter of drawing blood and having the required tests done and holding up the horses for a matter of a week until the tests are completed in our laboratory. The horses can then come in.

Mr. Peters: So we do not really quarantine for anything except cattle and hogs?

Mr. Wells: Cattle, sheep and swine.

Mr. Peters: Do we have a considerable number of these imported now?

Mr. Wells: Very few swine and sheep. Some sheep are coming in from Finland this fall.

Mr. Peters: What is the present cost factor for the quarantine of cattle for Grosse Ile? Is that the only one we have? We do not have any west coast quarantine stations?

Dr. Wells: No. Grosse Ile is the only maximum security quarantine station we have. Do you mean the cost to the owner, to the importer?

Mr. Peters: No, not necessarily. I want a simple figure, for us to operate it, not the purchaser.

Dr. Wells: It does not cost the Department anything to operate the station, sir. We collect the total cost of feed, care and maintenance of the animals from the individual importers. The owner pays all of this directly to us. This costs him around \$650 per animal in so far as the cost of care, maintenance and feeding of the animal is concerned. In addition to that, he pays us a \$900 quarantine fee, which represents our amortization or capital return on the capital cost of the structure.

Mr. Peters: I presume the reason we conduct this operation is in the general interests of agriculture and not the whims particularly of breeder associations. This is developing into a very rich man's sport. You have indicated that it costs \$1500 per head for only the quarantine aspect of it and then there is the danger of rejection. Have there been rejections?

Dr. Wells: Oh yes, there have been rejections, although we weed out most of these by tests on the farms in France, tests in the Brest quarantine station. We have not had rejections for any of the serious epizootic diseases at Grosse Ile but we have had rejections for brucellosis and tuberculosis. In the majority of cases the importer insures against such rejections.

• 1005

Mr. Peters: I presume most of this breeding stock is the male species?

Dr. Wells: No. On the contrary, sir, most of it is female. If one brings in a male it is rather difficult to reproduce the pure line. In fact, one bull by artificial insemination can inseminate up to five, six, seven, eight, nine, ten thousand females, as high as you want to go. In principle you need enough bulls to make sure that you have a broad enough genetic base to carry on a broad-scale breeding operation without inbreeding, but primarily you need more females and this is the case here.

Mr. Peters: They are bringing in mostly females?

Dr. Wells: Oh yes.

Mr. Peters: What I was getting at is why do we not operate on behalf of the industry an artificial insemination unit for Charolais? This would also eliminate this problem in the United States. As a government unit we could probably sell semen to the United States without getting into a prohibitive price.

Dr. Wells: There are both provincially-operated and privately-operated co-operatively organized artificial insemination units across the country, practically all of which have Charolais semen.

Mr. Peters: Is it, for instance, Maple?

Dr. Wells: Oh yes, Maple has imported Charolais bulls and have semen. I just cannot tell you offhand, but I think the Maple unit have an import permit this year, and, as Mr. Williams has just reminded me, we in fact in issuing permits give priority to artificial insemination units that wish to import for this purpose. Charolais semen is readily available throughout the country.

Mr. Peters: I will pass to someone else although I have some further questions I would like to ask.

The Chairman: Thank you, Mr. Peters. I recognize Mr. Smith.

Mr. Smith (Saint Jean): Mr. Chairman, I will try to be very brief so that other members may get a chance to ask a few questions.

At our last meeting we spoke about tuberculosis in cows and other animals. I have a farmer in my constituency who reported that he lost 24 head of cattle in the last two years which, as we know, is pretty hard to overcome financially. I would like to know at this time, realizing that the federal government pays a subsidy—this was mentioned at the last meeting—of \$140 a head for purebred stock and \$70 a head for grade cattle, depending on age and condition, what a farmer has to do to get this subsidy. I would also like to know if any disease-preventive measures are being taken. I have been advised that on this same farm there are open ponds and spring holes and I wondered if anything was being done to prevent this disease. Could you help me out on that, Mr. Chairman?

Dr. Wells: Bovine tuberculosis is a disease which comes under the regulations of the Animal Contagious Diseases Act, and all of the cattle in the country are under constant testing, retesting and surveillance for the disease.

In answer to your first question as to how a man gets compensation for tuberculosis reactors, we test the cattle on either a routine or surveillance basis and when reactors are uncovered they are ordered to be slaughtered and the cattle are automatically valued and compensation is automatically paid, so there is no request or action whatsoever necessary on

his part. If an animal owner sends beef cattle to slaughter and they are condemned for tuberculosis in the plant and we can trace the animals back to the farm of origin—which in most cases we can do—then we also pay that man compensation for having lost those animals because we are interested in eliminating disease from Canada. Each time evidence of infection is found on any owner's premises the owner is required to clean and disinfect the premises and our veterinarian discusses with him the possibilities of contamination, extension of the disease, where it came from from an epidemiological point of view and we study the situation to ascertain, if we can, where the disease came from in order that we may go back to its source and arrest it. Therefore every effort is made to discuss this with the individual.

• 1010

In 1922, when tuberculosis was first brought under the provisions of the Animal Contagious Diseases Act, there was, on an average, one tuberculosis reactor for every 30 cattle tested. Today we have, on an average, one tuberculosis reactor for every 1,100 cattle tested, but even at that 60 to 75 per cent of the reactors are what we call, NVLs, or have no visible lesions of tuberculosis. Therefore, the disease, to all intents and purposes, has been eradicated.

Perhaps you could give us the name and address of the farmer you mentioned. If he has lost 24 head of cattle through tuberculosis he certainly would be on our records. We would be quite prepared to examine the position to see what has happened and to make sure that they did die from tuberculosis, or that they are recorded, or were slaughtered. We can give you the details of the operation, as we know it.

If we do not know it, then it is in our interest and in the national interest to investigate it.

The Chairman: I recognize Mr. Southam.

Mr. Southam: Thank you very much, Mr. Chairman. My questioning is going to be along the same line as that of Mr. Beer.

I was very glad to hear Dr. Wells' very comprehensive review of some of the problems that have arisen around the importation of Charolais.

I wish to ask a few supplementary questions. I was very interested in the equitable allocation of applications for the importation of Charolais cattle and how this project proposal system is working out.

Dr. Wells, is the allocation or supervision system now working successfully in meeting this problem?

Dr. Wells: No, Chairman, we do not think it is good enough yet. We would like to refine it a little more, and we are hoping to be able to do so for the next year round.

It is a difficult area for us, and this is recognized not only by ourselves but by everyone else. We have gradually been improving it, but we think that it still needs some more refinement, sir, and this we hope to do.

Mr. Southam: I am very glad to hear you say that. Many of those who are interested in this particular phase of our livestock industry have been worrying about it. I am sure they will be happy to hear that you are making this plan work and are giving more attention to it.

I was interested in the \$50,000 bond for the temporary export of Charolais. What is the cost of this bond and have you had any instances of bond forfeiture?

Dr. Wells: No, no instances of bond forfeiture. I cannot give you the actual, specific cost of the \$50,000 bond, but I am told that the cost of obtaining it runs anywhere from \$500 to \$750 for a period of a maximum of seven months.

I presume the cost depends upon the ability of the individual to put up guarantees. I am not really aware of this.

If a man wants to send out a group of three animals we ask for a bond of \$100,000; if he wants to send one, we ask for a bond of \$50,000; if he wants to send two, we ask for \$100,000; if he wants to send three, we ask for \$100,000; if he wants to send four, then we would go to \$250,000. But we have had no cases of forfeiture.

Mr. Southam: When Charolais bulls of top rank or championship stature are imported and then subsequently exported to the United States we have heard of a number of instances in which Canadian farmers have felt that they have been more or less held up by exorbitant prices for the importation of semen from these bulls.

Is there any way of regulating that? Is there any reciprocal agreement with the United States Department of Agriculture supervising this, or have you had many instances of it? I have heard of several cases of it.

Dr. Wells: No, we have not had any such complaints brought to our attention, sir.

Mr. Southam: I have heard of one instance and I want to investigate it further. The report was that in one case a man was asked \$50,000 for one sample of semen from one of these top-ranking bulls. I thought this sounded rather exorbitant. Have you heard. . .

• 1015

Dr. Wells: I certainly have never heard of any such price for semen under any circumstances whatsoever.

Mr. Southam: I doubted it myself, but this man tried to impress me with the fact that this was the case. I was wondering whether you had any record of such cases.

Dr. Wells: I feel reasonably certain, sir, that . . .

Mr. Southam: I have just one other supplementary question, Mr. Chairman, which I think is in order. It is under Vote 45:

Payment of compensation at the rates determined in the manner provided by section 12 of the Animal Contagious Diseases Act, to owners of animals affected with diseases coming under that Act, that have died or have been slaughtered in circumstances not covered by the Act and regulations made thereunder.

The amount under the Revised Estimates 1968-1969, is \$8,000. Have you had instances of this and if so, were these particular, isolated cases where you had to pay compensation, and what was the nature of the disease and who were affected?

Dr. Wells: I am sorry, sir, I did not get the question.

Mr. Southam: It is under Vote 45, about half way down page 33 of the Revised Estimates, 1968-69. There is an item of \$8,000.

Dr. Wells: Well, sir, what happens is that the Animal Contagious Diseases Act specifically states that compensation can be paid where an animal is slaughtered under the provisions of this Act.

On occasions, throughout each fiscal year, animals are ordered slaughtered but, prior to the carrying out of the order, the animals die from some other disease or, as happens in some cases, the barn burns down. I think there was a case of a fire this year and

a number of animals were burned, so that they were, in fact, killed, or died prior to the execution of the slaughter order.

Our concern is to eradicate tuberculosis and where we receive adequate proof that the animal is dead we recommend the payment of the compensation that the owner would have received had he been able to carry out the provisions of the slaughter order. But we cannot pay this without approval, because the Act specifically says that the animal must be slaughtered under inspection.

Mr. Southam: Thank you. I was merely seeking information on that detail.

The Chairman: I recognize Mr. McKinley of Huron.

Would you please present your questions as briefly as possible, gentlemen? And may I ask that that apply to the replies also?

Mr. McKinley: I wish to ask a few questions on poultry diseases, Mr. Chairman, but, further to the Charolais, could we have an explanation of what extra value these Charolais cattle have in the production of beef?

Dr. Wells: Specifically, sir, the argument used in their favour—and I can only suggest that to my knowledge it is a justifiable one—is that they do gain in weight much more quickly.

Mr. Chairman, I do not want to sound as though I am advertising the breed. This is without prejudice.

An hon. Member: To whom—the breed or Dr. Wells!

Dr. Wells: Specifically, sir, the purpose is to produce beef as economically as possible. Not all livestock producers in the country hold the view that Charolais can produce beef more quickly and more economically than can the other beef breeds in this nation, but there are a sufficient number of livestock producers who do, and it is to justify—and this seems reasonable—the view of these people, that this breed can produce beef for them more economically than can other breeds, that this importation takes place.

Mr. McKinley: To follow that with another question, semen is readily available from the artificial units. What is the cost of that semen? Is it the same as that of other bulls?

Dr. Wells: It varies all the way, sir, from \$5 a vial up to, I suppose, \$100, or \$150, or more, depending upon the quality and reputation of the bull.

Mr. McKinley: And a vial is to breed one animal?

Dr. Wells: Yes.

Mr. McKinley: Most of the advantage is through cross-breeding, I understand? What is the advantage to anyone in Canada bringing in animals unless for re-sale?

• 1020

Dr. Wells: Unless for resale? In actual fact, the purpose in bringing them in is, in the initial instance, to reproduce the breed in this country so that it will be fixed here and can be used at any time, as I said earlier, on a sufficiently broad genetic base. We are not sure that we will be able to import regularly. If these countries in Europe were to have a severe outbreak of foot and mouth disease the importations would be cut off. Therefore, we have to be able to reproduce the breed and maintain it here if it is to be of permanent benefit to our livestock industry.

Mr. McKinley: What is the necessity for holding these animals for this length of time at Grosse Ile? What diseases are you looking for?

Dr. Wells: We are looking for all the diseases in the book; tuberculosis, brucellosis, Johne's disease, leptospirosis, foot and mouth disease, rinderpest. Should I rhyme off some more? Bluetongue.

Mr. McKinley: How long are they held at Grosse Ile?

Dr. Wells: About five to six months, depending upon our getting all of our tests completed. This is provided everything goes well and all the tests are negative. If there were problems or difficulties it could run into longer but we have not had serious problems or difficulties yet.

Mr. McKinley: Then it takes another five or six months to clean up to get ready for another . . .

Dr. Wells: Yes; then we have to clean and disinfect the station, get the manure out and get the place in readiness for another importation.

Mr. McKinley: I was just wondering, because you mentioned that you bring in only one group a year.

• 1025

Dr. Wells: We also have the problem, sir, of the weather. We can bring the cattle into Grosse Ile only during the open St. Lawrence season. Therefore, when the cattle come in in October they cannot go out until the end of March or early in April at the very earliest and then we have to get the station disinfected. We could bring another group in in August but it takes us four or five months to get our tests done and then it would be winter time and we could not get them out until the spring in any case.

Mr. McKinley: Yes, I understand. Two years ago when this Committee sat we were told there was a blood-testing program under way with regard to leukosis in poultry and I think anyone connected with poultry knows that leukosis is a disease that is causing the industry the loss of a great many millions of dollars. How much has this program advanced or is there another program?

Dr. Wells: Leukosis is recognized as a very serious disease in poultry and a considerable portion of our financial resources and energy in the research operations are directed towards leukosis.

Mr. Chairman, Dr. Frank is the director of our Animal Pathology Division. Perhaps he could give two minutes on the leukosis research project.

Dr. J. Frank (Director, Animal Pathology Division, Department of Agriculture): Sir, we recognize the fact that leukosis is our most serious poultry disease and we have embarked on a research program that covers a number of different aspects. One of the major projects is a joint project with the genetic people in trying to develop means of finding lines of birds more resistant to it and our effort in this connection is with Marek's disease which is one form of leukosis and one which is causing the industry the greatest trouble at the present time.

This is one aspect of the work. It is quite a major effort and requires considerable facilities and manpower. We are also working on other forms of leukosis. I mentioned Marek's disease as one. There is another form that is known as visceral lymphomatosis or "big liver disease" to the poultryman. It is in this connection that we have been working on blood tests. I think I mentioned two years ago that we were doing preliminary work on this, but as yet there is not a test that we can apply to the field. There is some hope but it is time-consuming work. There are actually two tests that we are working on.

Then we have another form of leukosis which is erythroblastosis and there we are doing basic work on this problem at Lethbridge. I think we are tackling the three important types.

Mr. McKinley: Actually, so far as the blood-testing program is concerned, no progress has been made in the last two years.

Dr. Frank: Not that can be applied to the field, sir. There has been progress in that we are finding it easier to do and the results can be correlated to the disease more easily, but it has not advanced to the stage where we can go out into the field to do a testing program.

Mr. McKinley: You have tested flocks?

Dr. Frank: Just experimental flocks.

Mr. McKinley: Do you ever find flocks that do not have leukosis?

Dr. Frank: No, not with the small number that we have worked on.

Mr. McKinley: Are you doing work at the present time on different breeds to see which breed might be more resistant?

Dr. Frank: With different lines, yes.

Mr. McKinley: You say "different lines".

Dr. Frank: Well, a lot of them are in the white breeds such as Leghorns, but we are not just testing Leghorns and Barred Rocks and so on.

Mr. McKinley: No, but different commercial lines?

Dr. Frank: Yes.

Mr. McKinley: De Kalb High Line and all those?

Dr. Frank: Not those particularly; we are concentrating with our Canadian producers and we are working co-operatively with two of the bigger producers in Canada.

Mr. McKinley: Which producers?

Dr. Frank: They are Shaver's and Peel's.

Mr. McKinley: Peel's, is it?

Dr. Frank: That is right.

The Chairman: I hesitate to interrupt but we do have a commitment at 10.30. I understand there may not be disposition to conclude our consideration of these Estimates this morning.

Mr. Lefebvre: Mr. Chairman, I wonder whether I could ask a few questions here and the answers could be given as an appendix to today's Proceedings because they have to do with the line of questioning already started. I think it would be important to have them in the same booklet.

The Chairman: We will hear your questions. You are next on the list.

Mr. McKinley: I will pass.

Mr. Lefebvre: My questions have to do with Charolais cattle again. Perhaps I missed the answers to some of these questions but I would like to know how many applications were received last year for imports of these cattle. How many were accepted and how many were refused? Into what provinces were they imported?

I believe you said also that they must be in quarantine for six months and remain in Canada for three years, but within this period of three years these cattle are allowed to go into the United States for show purposes. Is that correct, sir?

Dr. Wells: Yes, for temporary periods.

Mr. Lefebvre: How long a period would you call temporary?

Dr. Wells: For bulls, a maximum of seven months based upon the time it takes to run the show circuit in the United States; for females, dependent upon their age and stage of pregnancy. We cannot let a female go into the United States for a long enough period so that she could produce a calf in the United States and we would have no hold on the return of the calf.

Mr. Lefebvre: Now, while these bulls are in the United States can they be used for breeding purposes?

Dr. Wells: Yes, if they so desire because there is no difference between that and selling semen from them

in Canada to the United States during their stay in Canada. Semen is freely interchangeable between the United States and Canada.

Mr. Lefebvre: So semen can be sent immediately into the United States; although the bulls could not be sold to the United States their semen is freely exported.

Dr. Wells: That is right, sir.

Mr. Lefebvre: You also said that the cost of the cattle involves approximately \$500 for a bond fee, \$900 overhead fee I think it is called and approximately \$650 for cost of care for these animals.

Dr. Wells: The \$500, sir, has no relation to the importation. It is the cost of purchasing a bond for any person wanting to export temporarily. It is not connected in any way with the importation of livestock.

Mr. Lefebvre: Could you give us an idea then, Doctor, of the average costs for a bull and a cow imported from France into Canada?

Dr. Wells: I think, sir, that the cost of the animal in France would vary all of the way from \$1,000 to \$2,500 for a female, perhaps averaging between \$2,000 and \$2,500, and bulls would average somewhere between \$3,500 and \$5,000.

Mr. Lefebvre: When these bulls or cows are sold to the United States after the three-year period what is the average price received?

Dr. Wells: I could not give you that average price, sir, because there have not been that many sold. Only 45 out of 956 have been moved. I really have no record of what this price is but I certainly think that it would be considerably above the import cost.

Mr. Lefebvre: What I am getting at, sir, is this. We can export the semen right away, we can let the bulls go over there for show purposes and for use in breeding—writeups in newspapers have indicated that these bulls have gone as high as \$40,000. or \$50,000. in the United States market—but is there anything else we could effectively do to protect the small importer and to make sure that these cattle brought into Canada are actually for Canadian use?

Dr. Wells: I shall be very short, sir.

Mr. Lefebvre: I am willing to receive this answer as an appendix.

Dr. Wells: I would like to tell you now because it is easier than writing an answer.

The simple answer to your question is that we are doing everything possible we can to prohibit the export of animals. The ones which were exported were exported prior to the control measures being put on. But please bear in mind that if, in fact, breeders pay money to bring these cattle into this country, breed them and produce better cattle and are restricted in their market or sale of the product they produce, it is going to be impossible for them to continue in business and produce better and better cattle. To produce better and better cattle they have to have a free market so they can get enough money in return for their work to produce quality cattle. It is all right on the one hand to say that we must not export, which in fact we do—we prohibit the export of the imported animals, but these men that import them, . . .

Mr. Lefebvre: This is what I mean.

Dr. Wells: . . . take the gamble and the risk involved and put their life's blood into breeding, have to get a return for them. Therefore we cannot continue to restrict the sale of the progeny of these animals.

Mr. Lefebvre: I was not talking about the progeny but about the original imports.

Dr. Wells: They are restricted.

Mr. Lefebvre: I have one more question, which will complete my questioning.

The Chairman: I am sorry, Mr. Lefebvre, but we have passed our time. The meeting will be convened again. We will have an opportunity of questioning the same witnesses.

I will recognize Mr. Noble for a very brief supplementary.

Mr. Noble: Is there any provision to prohibit breeders who show bulls in the United States from using them to service cows while there?

Dr. Wells: Not at all, sir. The question has already been answered because he can export the semen, Mr. Noble. If the bull is in Canada the semen is freely exportable, therefore he can use the bull if it is in the United States.

The Chairman: Gentlemen, the meeting is adjourned to the call of the Chair. Would you all please be at the south door of the West Block as soon as you can.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament
1968

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 7

TUESDAY, NOVEMBER 19, 1968

Revised Main Estimates (1968-69) relating to Agriculture
(Board of Grain Commissioners)

WITNESSES:

Mr. S. B. Williams, Deputy Minister of Agriculture; *and from the Board of Grain Commissioners:* Mr. F. F. Hamilton, Chief Commissioner; Mr. M. V. Martens, Secretary.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968

STANDING COMMITTEE
ON
AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (Lac-Saint-Jean)
and Messrs.

Barrett,
Clermont,
Cobbe,
Côté (*Richelieu*),
Douglas,
Foster,
Gauthier,
Gleave,
Gundlock,
Howard (*Okanagan
Boundary*),

Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lefebvre,
Lind,
Mazankowski,
¹ McCutcheon,
Noble,
Peters,
Pringle,
Roy (*Laval*),

Smith (*Saint-Jean*),
Southam,
Stewart (*Marquette*),
Stewart (*Okanagan-
Kootenay*),
Thomson (*Battleford-
Kindersley*),
Whicher,
Yanakis—30.

Michael A. Measures,
Clerk of the Committee.

¹ Replaced Mr. McKinley on November 15, 1968.

CORRIGENDUM

Issue No. 6, inside front cover, membership list, bottom of left hand column:

Delete "Mr. Horner".

ORDER OF REFERENCE

FRIDAY, November 15, 1968.

Ordered,—That the name of Mr. McCutcheon be substituted for that of Mr. McKinley on the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

TUESDAY, November 19, 1968.

(7)

The Standing Committee on Agriculture met at 9:42 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Foster, Gauthier, Gleave, Gundlock, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), La Salle, Lefebvre, Lessard (*Lac-Saint-Jean*), Mazankowski, McCutcheon, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Stewart (*Marquette*), Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*)—(22).

Also present: Messrs. Whelan and Ritchie, M.P.'s.

In attendance: Mr. S. B. Williams, Deputy Minister of Agriculture; and from the Board of Grain Commissioners: Mr. F. F. Hamilton, Chief Commissioner; Messrs. C. L. Shuttleworth and A. V. Svoboda, Commissioners; Mr. V. Martens, Secretary.

The Chairman welcomed those in attendance and called items 50 and 51 of the 1968-69 Revised Estimates relating to Agriculture, namely

BOARD OF GRAIN COMMISSIONERS

Item 50 Administration, Operation and Maintenance, etc.	\$8,784,000
Item 51 Construction or Acquisition of Buildings, Works, etc.	\$1,502,000.

Mr. Hamilton gave an opening statement and was questioned, assisted by Messrs. Williams and Martens.

On completion of the questioning, the Chairman thanked those in attendance.

Items 50 and 51 were carried.

Mr. Williams read replies to two questions asked previous to the meeting this day.

At 11:23 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday November 19, 1968.

The Chairman: Gentlemen, we will start the meeting.

We are pleased, of course, to have with us the Deputy Minister, Mr. Williams, and to be accompanied by representatives of the Board of Grain Commissioners for Canada.

I will ask Mr. Williams to introduce the witnesses starting with the Chairman.

Mr. S. B. Williams (Deputy Minister Department of Agriculture): Mr. Chairman and gentlemen, we have here the three Commissioners of the Board of Grain Commissioners for Canada. On my immediate right is Mr. Frank Hamilton, the Chief Commissioner; beside him is Mr. Vic Martens, Secretary of the Board of Grain Commissioners; and over to their right are Mr. Shuttleworth and Mr. Svoboda, both of whom are Commissioners of the Board of Grain Commissioners for Canada.

The Chairman: I wish to draw your attention to Items 50 and 51 in our Estimates.

I understand Mr. Hamilton is going to make an opening statement. I will then call for questions.

Mr. Hamilton?

Mr. F. F. Hamilton (Chief Commissioner, Board of Grain Commissioners for Canada): Thank you, Mr. Chairman.

Good morning, gentlemen. It is always a pleasure to appear before the Agricultural Committee. I hope that in our meeting with you this morning we will be able to contribute something to the deliberations of the Committee.

I wish to make an opening statement to indicate, in a general way, the functions and work of the Board of Grain Commissioners for Canada.

The Board of Grain Commissioners is responsible for administering the Canada Grain Act and has general supervision over grain handling in Canada. It has the power to make regulations and orders which are consistent with the Act.

The Board's operations are divided into six main functions. The Executive Offices deal with general administrative matters, provide financial and personnel services, and include the offices of the Assistant Commissioners.

The Inspection Division, which is the largest of the operational divisions, provides official inspection and grading of grain at various points across Canada, particularly grain received at and shipped from terminal elevators and grain loaded to vessels for export at eastern elevators.

The Weighing Division is responsible for official weighing of grain at terminal and mill elevators, annual weighovers of grain stocks in terminal and eastern elevators, and inspection and certification of scales in terminal and eastern elevators.

The Statistics Division collects, compiles and publishes basic statistics relating to handling and storage of grain within the licensed elevator system. Other responsibilities include issuing of licences to elevator operators and grain dealers, supervision of bonding of licensees, and registration of warehouse receipts issued by managers of terminal and eastern elevators. The Division is making increasing use of electronic data processing and telecommunication equipment in its work.

The Research Laboratory carries on a program of research related to the quality of cereal grains and oil seeds, conducts quality surveys of current crops and shipments, and participates in testing of new varieties in collaboration with plant breeders and the Board's Inspection Division.

The Canadian Government Elevators system, which is managed, operated and maintained by the Board, is comprised of six terminal grain elevators located in Western Canada. One of the elevators is situated at the port of Prince Rupert, B.C., and handles grain for loading directly to ocean vessels.

In addition, the Board constitutes Grain Appeal Tribunals and Committees on Western and Eastern Grain Standards. It also has responsibility for collecting the one per cent levy under the Prairie Farm Assistance Act; for setting maximum lake grain freight rates when considered advisable, under the provisions of the Inland Water Freight Rates Act;

and for fixing the maximum charges authorized to be made by licensees under this Act.

● 0945

The fundamental principle of the Act is to ensure that in the movement and sale of Canadian grain the interest of the producer is protected, and that a uniform high quality product moves into both domestic and export markets.

Thank you very much.

The Chairman: Thank you, Mr. Hamilton.

Gentlemen, members who have indicated they wish to question the witnesses are Mr. Clermont, Mr. Gleave, Mr. Southam and Mr. Gundlock.

I will recognize Mr. Clermont.

[Interpretation]

Mr. Clermont: Mr. Hamilton, what was the situation of grain stocks in February and March 1968 in the eastern part of the country, particularly in Montreal and other ports of the province of Quebec?

[English]

The Chairman: Mr. Hamilton?

Mr. Hamilton: Mr. Chairman, so far as I am aware, Mr. Clermont, there was plenty of grain for domestic use in all the eastern terminals last February and March.

[Interpretation]

Mr. Clermont: What are your connections, if any, between the new Canadian Feed Board which was established by parliament in 1966, I believe. Is your Grain Commission dealing with the Canadian Feed Board?

[English]

Mr. Hamilton: Do you mean with the Canadian Livestock Feed Board, Mr. Clermont?

Mr. Clermont: That is right.

Mr. Hamilton: Yes; we meet and consult with them on the...

[Interpretation]

Mr. Clermont: You say that you consult with the members of this new Board. Could you give us a list of these dealings you have with it?

[English]

Mr. Hamilton: Last year we dealt very closely with them because the Canadian Livestock Feed Board allotted space in the Quebec terminal for domestic users. This year they are not doing that. As a result, our dealings with them are not as close as they were a year ago.

Mr. Clermont: Why the change, Mr. Hamilton?

● 0950

Mr. Hamilton: The change, Mr. Clermont, is because the lease between Bunge Corporation Limited and the National Harbours Board required that, for the first year, the Canadian Livestock Feed Board allot the space; but after that it was not required.

[Interpretation]

Mr. Clermont: Mr. Hamilton, your Commission does a lot of research on new varieties, let us say, of grain or corn. When the members of this Committee, in 1966, went to the West, I think I had asked if your Commission intended to carry on investigations on the new varieties of feeding grains. Have such investigations been carried out or is it intended that they shall take place in the future?

[English]

Mr. Hamilton: Mr. Chairman, we do continuing work with the new varieties in our research laboratory and as the result of our work we make recommendations on licensing to the Department of Agriculture.

[Interpretation]

Mr. Clermont: Mr. Hamilton, on page 37 of your estimates, I see that—I am sorry, I mean 36—you have services 1968-1969: \$70,000.00 as against \$55,400 for 1967-68 and on page 37, vote 50: you have \$460,500.00 as against \$280,000.00. Now, what do you mean by "City Service". Secondly, what is explanation for the increase because it is almost the doubled appearing on page 37?

[English]

Mr. Hamilton: Mr. Chairman, "Public Utility Services" refers to the Canadian Government Elevator system.

We are now required to pay full taxes in lieu of a grant. This is almost doubled the amount that we pay in municipal taxes. This is the main reason.

[Interpretation]

Mr. Clermont: My last question, Mr. Chairman, for the time being. On page 36, I see for 1968-1969, "overtime": the figure \$500,000.00 as against \$425,000.00 in 1967-1968.

Mr. Hamilton, when I mention page 36 I refer to the French session. Perhaps it is a different page in the English text.

[English]

Mr. Hamilton: Mr. Clermont, this refers to those engaged in inspection and weighing, who are located in the terminals.

The majority of this is accounted for by the double-shift we have proposed to start on the West Coast, in Vancouver.

[Interpretation]

Mr. Clermont: Thank you Mr. Chairman.

[English]

The Chairman: Thank you, Mr. Clermont. I recognize Mr. Gleave.

Mr. Gleave: Mr. Commissioner, how many professionals and assistants do you have, in the laboratory facilities of the Board? What is the composition of the staff in the grain laboratory?

Mr. Hamilton: Mr. Chairman, I do not know whether I can satisfy Mr. Gleave. The total staff is 62, but I would just be guessing at the make-up between professionals and technicians. There are probably ten Ph.Ds and the remainder will be technicians and clerical.

• 0955

Mr. Gleave: Have the staff and service been increased in recent years, or have they remained more or less static?

Mr. Hamilton: There has not been any substantial build-up. We are trying to recruit new Ph.Ds all the time, but it is very difficult to do so.

Mr. Gleave: I notice in the Estimates that it has remained fairly static. It occurred to me that with the development of technology and the changes of the times this part of the facility would be growing.

Mr. Hamilton: It remains static for two reasons, Mr. Chairman. One is that our space is very limited in Winnipeg. We cannot really expand our facilities in the present building.

The second reason is probably Treasury Board.

Mr. Gleave: Are you improving the equipment in your laboratory, or is it obsolescent? To put it bluntly, is it being kept abreast of the demands of the times?

Mr. Hamilton: We are satisfied, Mr. Gleave, as is the Director of Research, that we have a first-class research laboratory. Our equipment is being improved all the time.

Mr. Gleave: What studies are you making on protein-grading?

I noticed that recently you were reported as saying, if I read the report correctly, that we should be looking at the protein-content in roughly the Palliser triangle.

What studies are you making on protein-grading in the laboratory? How far are you along with it?

Mr. Hamilton: Mr. Chairman, the program we have initiated, and are now actively involved in, is one to try to level out the variations within the grade. Protein seems to be the key factor. Actually what we are doing is trying to level out the protein variation within the grade.

In a rough-and-ready way, this involves an exchange between cars coming from the southern area of Saskatchewan with a very high protein and going into the Saskatchewan Pool terminal and Alberta Wheat Pool cars, not so high in protein going into their terminal. There is an exchange of box cars now, and this tends to level it out.

On the other part of your question, dealing with my remarks to the Saskatchewan Wheat Pool, I was suggesting to them that perhaps 1968 was the time for us to examine the idea of specializing a little more.

What I had in mind, and what I suggested to them, was that a good problem for the National Grains Council to consider would be whether we should select our very high quality grain from the semi-drought areas of the Palliser triangle rather than blend it right across from the Peace River down to Montana.

Mr. Gleave: Would I be right in assuming that if this could be done studies on protein would have to be made in your laboratory?

That is, you would surely have to develop techniques for assessing the protein quality of wheat?

Mr. Hamilton: Yes. We are doing this on a continuing basis. We are checking protein every day.

Mr. Gleave: Are you still having trouble in assuring the West Coast of a satisfactory level of protein for purchasers?

Mr. Hamilton: It varies from year to year, depending on crop conditions and the grades of grain available for export.

There is no problem at present, I can assure you, Mr. Gleave.

Mr. Gleave: Have you sent out information on farm drying machines to elevator agents? How do you reach the farmer who is using a farm dryer?

Mr. Hamilton: We send our advice to every agent. We have advertised our recommendations in farm papers. Our Assistant Commissioners are continually travelling and giving advice. We run schools. There was one in Saskatoon yesterday. We work in conjunction with extension departments to universities.

• 1000

We consider it is quite well in hand. All we really do is advise and recommend; and we offer a free testing service to any producer using a grain-dryer.

Mr. Gleave: I got a dryer on the farm, and to get information I had to phone the Board of Grain Commissioners in Winnipeg. The information of the elevator agent at Biggar was so sketchy that it would not serve the purpose. Have you any comment on this?

Mr. Hamilton: No. All I can say, Mr. Gleave, is that he should have had what we consider to be satisfactory information.

Mr. Gleave: The information he had was as I say, and when I phoned the office in Winnipeg the information I got was different from the information he had. I doubt that the information he had was really from the Board of Grain Commissioners, but I did not check this out.

Mr. Hamilton: Mr. Chairman, I would like to refer this question to Mr. Martens who is our expert on grain handling.

Mr. Gleave: Yes, I would appreciate that, Mr. Martens.

Mr. M. V. Martens (Secretary, Board of Grain Commissioners): Thank you. Mr. Gleave, we have just had a number of meetings with the grain trade in the last week. In conjunction with the trade itself, we produced a pamphlet which the Board of Grain Commissioners agreed to print. The printing has already been completed and the grain trade was going to get this out to the producers through their elevator agents, through the key agent at every station, so that this information should be out right now; it is all available. As Mr. Hamilton mentioned, we emphasize in this that we are offering the free testing service for all grain dryers.

Mr. Gleave: It is rather late in the season. That is; dryers have been going for some time. I do not wish to be over-critical but—

Mr. Martens: Prior to this, we also had our own information that we provided in bulk to the elevator companies for distribution to the elevator agents. This was to go out; this was our own, but we did something more just within the last week.

Mr. Gleave: I see.

Mr. Gundlock: May I ask a supplementary? What information is that on drying? Is it not mostly temperature?

Mr. Martens: It is mostly temperature.

Mr. Gundlock: Has that changed over the years?

Mr. Martens: No, this has not changed over the years; it is the same information.

Mr. Gundlock: So the elevator companies would have that information.

Mr. Martens: That is right.

The Chairman: Mr. Gleave, are you finished?

Mr. Gleave: I do not want to pursue that particular subject any further. I think I have made the point that I wanted to make. If I may be permitted, there is another matter I would like to follow through on the testing of new varieties. How much testing is going forward at the lab in Winnipeg with regard to the milling qualities of new varieties of wheat?

It has been generally suggested in many quarters that we should go for the production of higher-yielding wheats and sacrifice quality to a degree. This, I think, was part and

parcel of the speech of the Chief Commissioner the other day. How much testing are you doing at Winnipeg into the qualities of these new varieties, or has the Research Branch yet presented any to you?

Mr. Hamilton: Yes, we do full-scale milling and baking tests on every variety that is grown on trial at the research stations and also on any varieties we can get our hands on from Mexico or the United States.

Mr. Gleave: Can you give this Committee any general information of what your testing has shown up to this time?

Mr. Hamilton: Before I answer that question, Mr. Chairman, our annual report states that the 1967 series of co-operative tests included 69 new varieties of wheat and barley. This will give you some idea.

So far as the results of looking at these new varieties is concerned, we really have not seen anything too dramatic apart from the varieties coming along in our own Canada Department of Research stations.

Mr. Gleave: Dramatic in what sense?

• 1005

Mr. Hamilton: Dramatic in yield, quality, or disease resistance.

Mr. Gleave: You have had reports, of course, from the research people, and these reports do not show dramatic increases in yields. Do I understand you correctly?

Mr. Hamilton: The big dramatic increase in yield is when some of the new varieties are grown under irrigation.

Mr. Gleave: Yes.

Mr. Hamilton: Of course, this does not apply to too many areas in Western Canada.

Mr. Gleave: But when those varieties are grown under our conditions they do not show this dramatic increase in yield?

Mr. Hamilton: That is correct, Mr. Gleave.

Mr. Gleave: Thank you.

The Chairman: Does that conclude your questioning, Mr. Gleave?

Mr. Gleave: Yes, I think I had better bow out for now.

The Chairman: I will recognize Mr. Southam, Qu'Appelle-Moose Mountain.

Mr. Southam: Thank you, Mr. Chairman. Mr. Hamilton and Mr. Commissioners, a number of the questions I have listed here have already been explored between you and Mr. Gleave, but I think we members from Western Canada in particular are very interested in the research that is going on with respect to the development of new varieties of wheat and the possibilities of increasing yield dramatically and perhaps lowering our price in order to meet competition in world markets.

I understand from a statement you have made, or from something I have read recently, that your Research Branch has been doing some research in connection with Mexican dwarf wheat. Have you anything to report on that yet?

Mr. Hamilton: The plant breeders do most of the work; we do the quality testing. We see nothing so far that would cause us to become very excited. We think that our own Canada Department of Agriculture has varieties that are just as good and perhaps better, certainly for our conditions.

Mr. Southam: How much emphasis would you put on the suggestion you made recently to the Saskatchewan Wheat Pool, I believe, at their meeting with respect to dividing the regional areas of Western Canada into possibly two or three regions according to the Palliser Triangle, and so on, for the production of high quality and then perhaps lower quality, high yielding wheat? Do you think this would be realistic or is it something that could be considered long term? What is your opinion at that?

Mr. Hamilton: Mr. Chairman, my reason for suggesting it was that I thought it would be a very good subject for the National Grains Council to take a look at. We may be too closely involved with it to take an unbiased look, but certainly the improved high quality varieties of our competitors is giving us some real concern. It seems to me that we can produce enough in this semi-drought area to meet a reasonable export demand and this would certainly increase the quality of our top hard red spring and durum wheat exports.

Mr. Southam: As Western wheat growers, I think we are naturally very interested, and I am sure you people are too, with the development of other uses for wheat. I am thinking of a breakthrough that has recently been

made in Japan where one of the major milling companies has been experimenting and has developed a technique where wheat can be used for the production of artificial meat.

The news report indicates that they anticipate starting conservatively with approximately 150 tons of wheat a month and then building it up. Have our research people here in Canada made any breakthrough, or have they any prospects of making a breakthrough in these fields, so far as alternative uses of wheat are concerned?

Mr. Hamilton: Mr. Chairman, I really cannot comment on this. Mr. Williams may wish to comment.

Mr. Williams: Mr. Chairman, my only comment would be that our people are aware of these techniques and are studying them, but we do not have an active program at the present time associated with the development of synthetic meats using wheat or soya proteins or any of the other proteins. The group that this group met at the Food Research Institute the other day are aware and are keeping on top of these various developments.

Mr. Southam: It is naturally a very interesting piece of news to find that something has been developed successfully in Japan. I was hoping that we had some research in this area going on so that we could possibly compete, or at least explore the situation.

• 1010

What is your reaction, Mr. Hamilton, to the demand by the Prairie elevator companies for an increase in handling charges at the present time?

Mr. Hamilton: I had better be pretty careful on this one, Mr. Chairman. I think I will reply that we are studying this one. We have not arrived at a decision yet; we just received the briefs a week ago.

Mr. Southam: What has been your experience in the past two years with respect to shipments of material treated grain? Have you had very many instances of it?

Mr. Hamilton: Mr. Chairman, we have had enough to cause us very serious concern. This year the number has about doubled over last year, and I suspect that the producers are being oversold by chemical and fertilizer companies.

Mr. Southam: Have you laid any charges? If so, have there been any prosecutions?

Mr. Hamilton: Yes, we have. And we have some under investigation by the RCMP now. They should be in court within a month or so. It is a very difficult business.

Mr. Southam: There is no doubt about it. However, it is still a very important thing to keep on top of, is it not?

Mr. Hamilton: Yes.

Mr. Southam: Several years ago we had another problem, we found broken glass in shipments. Has there been any evidence of that recently or has that pretty well cleared up?

Mr. Hamilton: It has pretty well cleared up, Mr. Chairman. This is a continuing problem, Mr. Southam. As you can appreciate, it is mainly window glass from farm bins and country elevators—birds flying through the windows—so it is a continuing problem but it is one that has not given us any concern since the experience of a couple of years ago.

Mr. Southam: There is something else that concerns Westerners to quite a degree which I think you people have under active study; that is, the possibility of mixing grains at terminal elevators in order to try and compete in world markets with the grades that people are interested in. What is your comment on that, Mr. Hamilton?

Mr. Hamilton: It is something which we have been taking a real good look at. Once again I would hope that the National Grains Council would study this problem. I cannot speak for the Board because we have not arrived at a decision. My personal feeling is that I would hesitate to recommend the change at this time. It is not as simple as it may sound, to take number one and number three and mix them together and get number two. It would depend on the degrading factors in the number three wheat.

Mr. Southam: I was out at the Department of Agriculture experimental area, which Mr. Williams mentioned a few moments ago, last week and I was quite interested to see the research that has been done with respect to oil seeds. Are your research laboratories doing quite a bit of work in the development of an improved rapeseed and its ultimate competitive sale in Canada with other oils?

Mr. Hamilton: Mr. Southam, all we really do are the quality tests on this. Most of the rapeseed work is done at the Canada Department of Agriculture in Saskatoon. We are just now getting into a program now of doing quality tests on Ontario soybean crops.

I might add, Mr. Southam, to go back a few questions, you asked if we were doing anything about this along the line of what they are doing in Japan. One of the things that has been kicked around between the director of our research laboratory and Dr. Hannah at the Canadian Department of Agriculture Research Station is the matter of processing our grains here and just exporting gluten. Of course, this is what the Japanese are using, the gluten. It is hard to say if this is a practical or feasible thing to do.

Mr. Southam: I understand they take out a certain amount of starch and then add amino acids to the gluten, which gives them a product which they say is very edible, and so on. It is very interesting. Our actual concern, of course, is that we have large surpluses of grain and other producing countries are competing with us. Without belabouring the point, it is getting to be a very serious situation and we are going to have to bend every effort in Canada to develop markets in any area or through any source that we can. I am glad to see this National Grains Council set up. I hope they can co-operate with yourselves, the Canadian Wheat Board, the major elevator companies and everybody else concerned in the agriculture industry in order to put us on a competitive basis with what is going on in the world to see if we can hold our own. It goes without saying that the cut back in our sales the last year or two has been economically devastating to our agricultural economy.

Thank you, Mr. Chairman.

● 1015

Mr. Hamilton: I can assure you, Mr. Chairman, that we are looking forward to working with the National Grains Council, and the Board of Grain Commissioners have offered their full support and services to this Council.

The Chairman: Thank you, Mr. Southam. I now have on my list Mr. Gundlock, Mr. Smith, Mr. Roy, Mr. Whelan and Mr. McCutcheon. Did I get a nod from you, Mr. McCutcheon?

Mr. McCutcheon: No.

The Chairman: Mr. Gundlock?

Mr. Gundlock: Mr. Chairman, I have three questions. I would first like to ask Mr. Hamilton what liaison he has with the Canadian Wheat Board—and in particular the shipping companies—regarding transportation and the supply of cars?

Mr. Hamilton: Mr. Gundlock, we have an unofficial committee operating in Winnipeg, the Grain Transportation Committee. Mr. W. C. McNamara of the Canadian Wheat Board is the Chairman of that Committee. I am one of the members. We meet on an irregular basis with the railway vice-presidents and the presidents of the grain companies. I am pleased to report that we think this committee has done some very valuable work. We are about to launch a completely new program in grain marshaling the first of the calendar year.

Mr. Gundlock: I have a supplementary to that question.

The Chairman: The acoustics are a little bit difficult this morning, gentlemen. Will you use the microphones, please.

Mr. Gundlock: I have a supplementary to that, Mr. Chairman. How closely do you look at the supply of railway cars?

Mr. Hamilton: So far as the Board of Grain Commissioners are concerned, Mr. Gundlock, we are...

Mr. Gundlock: This committee, rather, that you mention.

Mr. Hamilton: Oh, the committee; very, very closely. They have a technical group in that committee.

Mr. Gundlock: Do you have a field force that actually goes out and investigates?

Mr. Hamilton: Out in the country?

Mr. Gundlock: Yes.

Mr. Hamilton: No, sir, we do not.

Mr. Gundlock: I think it might be a wise thing to do. My second question—and I am leading up to that—concerns inland terminal elevators. As you are quite aware, Mr. Hamilton, there is a good deal of talk about and quite a strong possibility of doing away with branch lines. There has been a suggestion made by at least one railway company that this may be taken care of by trucking facilities. I am referring, of course, to the inland terminal at Lethbridge, and I wish to ask if

any thought has been given to installing facilities for unloading trucks. If branch lines are abandoned and the railway companies say that they can take care of it by truck, where will they unload?

Mr. Hamilton: We have considered this, Mr. Gundlock. We can unload trucks at our inland terminals. Although we do not have proper unloading equipment they can be unloaded there, but at the present time...

Mr. Gundlock: But not in a proper way, though.

Mr. Hamilton: No, you are quite correct. That is true.

Mr. Gundlock: Are you considering this?

Mr. Hamilton: No, I think I must answer that at the present time we are not really considering this. We are considering the operation of the Lethbridge elevator as a country elevator. This is really...

Mr. Gundlock: That would then include truck unloading facilities.

Mr. Hamilton: Yes, it would, at that one big elevator.

Mr. Gundlock: Thank you. This is my last question, Mr. Chairman. In regard to screenings, could you tell us where the bulk of the screenings which you buy are sold?

Mr. Hamilton: They are offered and bid on. Normally it is the local feed lot operators who pick up these screenings. For instance, at Moose Jaw there are about four big feed lot operators and they buy all the screenings from that elevator. They are all put out for public bid.

Mr. Gundlock: That is one point.

Mr. Hamilton: Our elevator at Prince Rupert collects a lot of screenings and they are sold down into the Vancouver market. Edmonton and Calgary use theirs up locally. We just do not really have that many screenings. Sometimes we buy them from the company and sometimes they take them back.

• 1020

Mr. Gleave: A supplementary question, Mr. Chairman. The president of the Manitoba Farmers Union said that two million bushels of wheat were going east as screenings and the president of the United Grain Growers Limited said he was wrong, it probably was nearer ten million bushels. Could you shed some light on this matter?

Mr. Hamilton: This is not grain that goes through the Canadian Government elevators, I can assure you. It is grain that is purchased by the feed mills in the big cities, in Winnipeg particularly.

Mr. Gleave: Is it screenings?

Mr. Hamilton: It is probably purchased as screenings from the producers.

Mr. Gleave: Ten million bushels is a lot of wheat to go out as screenings. Are your regulations or grading procedures as to screenings so wide that this is a loophole? I think it deserves some explanation.

Mr. Hamilton: This is really not our problem, Mr. Chairman. I can assure you that we have looked at this. We have had people at the elevator, we watch as closely as possible that every boxcar that leaves that elevator is reported to us by the railways. There is no infraction so far as the Board of Grain Commissioners are concerned. I think the question involved is transportation from province to province.

Mr. Gleave: But surely with wheat, every car that goes through Winnipeg, or the proper grading points, is inspected and graded.

Mr. Hamilton: These are not cars of wheat, Mr. Gleave, that we are talking about. These are screenings.

Mr. Gleave: And you do not do this on screenings?

The Chairman: Just a minute now. This started as a supplementary, and I think that is infringing on the original questioner. Mr. Gundlock, we will return to you.

Mr. Gleave: I am sorry, Mr. Chairman.

Mr. Gundlock: You purchase them, you are not responsible for them, but when they do exist you simply purchase them and sell them.

Mr. Hamilton: Offer them for sale as screenings. These are in our own elevators.

Mr. Gundlock: How about overage, do you purchase that too?

Mr. Hamilton: Overages stored in our own elevators?

Mr. Gundlock: Overages from the elevator companies.

Mr. Hamilton: Any overage at a terminal elevator is...

Mr. Gundlock: None of your concern?

• 1025

Mr. Hamilton: Not really. It is a deal between the Canadian Wheat Board and the company.

[English]

The Chairman: Mr. Williams will take this question.

Mr. Gundlock: Thank you, Mr. Chairman.

Mr. Hamilton: Yes.

The Chairman: I recognize Mr. Smith, Saint-Jean.

[Interpretation]

Mr. Smith (Saint-Jean): My question has already been answered very intelligently by Mr. Hamilton, for which I thank you.

Mr. Roy (Laval): I have another question. I have a letter here, from the Minister of Transport, dated the second of May 1967 to the Minister of Agriculture, which concludes:

The Chairman: I recognize Mr. Roy.

[English]

[Interpretation]

Mr. Roy (Laval): Mr. Chairman, Mr. Hamilton, Sir, at the beginning, you said producer would be the first to benefit from Grain Board's work. I would like to know the reasons for the decision to rent the Quebec elevators to an exclusive organization, giving them a monopoly of all grain trade in the Quebec area. Where are the advantages to the producer here? This is my first question.

It seems to me that we must be absolutely sure that the provisions of the Act will be strictly enforced at Quebec and I would, therefore, suggest that you give consideration to having the Board of Grain Commissioners have someone at Quebec in order to ensure this enforcement.

[Interpretation]

Mr. Roy (Laval): Does the Grain Commissioner intend to send a coordinator responsible for the elevators in Quebec, especially to avoid the present kind of situation which are very costly for both the producer and the government itself?

[English]

Mr. Hamilton: Mr. Chairman, it is not easy to give a fast answer to that. The Canada Grain Act splits the country into two grade inspection districts: eastern and western. Western is from the lakehead west, and eastern from the lakehead east. The Canada Grain Act requires, and makes mandatory, inspection in the west, but in the east it is only on request. When I talk of producers, I am talking of producers from the lakehead west. The deal you talk about concerning the elevator in Quebec is something that was worked out between the National Harbours Board and the Bunge Corporation. This has nothing to do with us; there is a lease that covers that, but we are not a part of the lease.

[English]

The Chairman: Mr. Williams on the first question.

[Interpretation]

Mr. Roy (Laval): Mr. Chairman, I agree, but is the Grain Commission aware that this situation has raised the price of corn 4¢ to 7¢ a bushel and that the Eastern farmers will have to pay this, due to a situation which amounts to control of the market by one company exclusively? As you have seen, the Federation of Cooperatives, the Catholic Union of Farmers are now protesting because of this attitude of that company which, instead of protecting the producer, and we are wondering if they do not abuse this control. Are you aware of this situation?

Mr. Williams: Mr. Chairman, the situation at Quebec to which Mr. Roy made reference is well known to the Department, to the Board of Grain Commissioners, and to the Canadian Livestock Feed Board. The Canadian Livestock Feed Board within whose jurisdiction lies the responsibility for ensuring that prices of feed to users in Eastern Canada are equitable, have been authorized to take action to alleviate this condition. They are presently working on this and it is anticipated that the situation to which you have referred will be remedied very shortly.

In response to your second question—and Mr. Hamilton may wish to elaborate on this—the question of whether a man should or should not be placed at the location of this harbour to ensure compliance with the Act and with the licence issued under the Act is a matter that has not yet been decided. I think it is fair to say, however, that the Board of Grain Commissioners have given it a great deal of consideration and are continuing to do that.

[Interpretation]

Mr. Roy (Laval): Is it your intention to have a "neutral" person there to supervise the elevators and protect free trade? All trade is done only through one company, and this situation has contributed to raise the price of corn between 4 and 7 cents a bushel and it is a situation which can no longer be tolerated in this area. And, I think that if it were possible for your department to consider this situation as soon as possible, because I have letters going back to May 1967 about the matter. Is it or is it not the intention of the Commission to send a man to supervise this?

[English]

Mr. Hamilton: I can certainly appreciate your concern with the situation at the Quebec elevator. About all I would like to say now is that this matter is receiving very careful study. As you are aware, we issue a licence for that elevator to operate, a one-year licence, and we can attach terms and conditions to that licence. The licence will be up for review at the end of July next year, and the whole operation will be reviewed. Does this satisfy you?

Mr. Roy (Laval): Thank you.

The Chairman: Thank you, Mr. Roy. I recognize Mr. Whelan.

Mr. Whelan: Does the Canadian Livestock Feed Board have any authority to make the Bunge Corporation do what they want them to do?

• 1030

Mr. Williams: I suppose I would have to answer that question by enquiring whether what they wanted Bunge to do is consistent with their act. If it was, they would have the authority to do it. I am generalizing when I say that, but in general I would say, no; the Canadian Livestock Feed Board have certain remedies at their command based on their Act, but these would not in general involve issuing direct orders to the trade to take such action or such other actions.

Mr. Whelan: Mr. Hamilton, do you grade imported grain?

Mr. Hamilton: Just on request, Mr. Whelan.

Mr. Whelan: It is not automatically graded. Corn that comes into Canada from United States would not be graded by your Commission?

Mr. Hamilton: Only a request.

Mr. Whelan: Very little other grain is imported. Soybeans are not graded nor any other grains that are imported, which I realize are very small.

Mr. Hamilton: As I said, in the Eastern Division all our work is on request only.

Mr. Whelan: Do you think it would be a good idea if imported corn, for instance, were graded?

Mr. Hamilton: I would rather not comment on that question.

Mr. Whelan: I think it would be a good idea. When we visited your research facilities a couple of years ago, the Committee made a recommendation that you be given better facilities or the government take action to provide better facilities. Has any action been taken? Do you have any better facilities now?

Mr. Hamilton: Mr. Chairman, we are in the same building with the same facilities. The recommendations of the Committee are being worked on; it is not dead. We had asked for money to purchase land and that has been taken out, but Public Works are working on our behalf. We are hopeful, but it is moving along slowly.

Mr. Whelan: I heard some of the other members asking about the research work that you did there, and I am sure that if the new members of the Committee had viewed the facilities you are working with they would agree with the suggestion we made at that time, that your facilities be improved because they are certainly crowded for the necessary work you are trying to do, and the good work your people are doing.

I have another question; how often do people ship cars classed as damp or tough grain, and actually when you grade them at the terminal they turn out to be number one grain? What do you do to them when you find them shipping grain that is...

Mr. Hamilton: Mr. Chairman, we penalize them \$50 a car. In the last couple of years we collected some \$26,000 a year, although last year there was not very much; I think it was around \$1,600. We hope—I should not say "we hope"; we will probably collect a lot this year. It is \$50 a car if they ship dry-car when it should be tough or damp.

Mr. Whelan: I have just one or two more short questions on the new wheat varieties. I

think Mr. Gleave was asking questions about new varieties, and one or two of the other members. There is a variety that you are doing experimental work with in Arizona and then moving it to Manitoba, and I believe the article I saw on that was written by a John Bird in the *Saturday Evening Post*, or something, and was sent to most members of the Committee at that time. I was going through some old files, and this was a most optimistic report on a high-yielding, fairly good protein class of wheat—I forget the name of it now. Is that proving successful?

Mr. Hamilton: Mr. Chairman and Mr. Whelan, this was probably triticale you are referring to, the cross between rye and durum wheat that is grown down in Mexico in the winter time to give us two crops a year to multiply the seed stocks. So far as I am aware, it is coming along all right; there are lots of snags and bugs in the program, but that particular variety is facing increasing competition from the new strains of barley and wheat that are coming on the market. Its future, I think is in doubt.

• 1035

The Chairman: Would you permit me to recognize Mr. Mazankowski, Vegreville?

Mr. Whelan: May I ask one last question on the number of grades? When we were there you were trying to cut down the number of grades. You had, I think, 400 different grades for wheat. You were trying to break them down into a lesser number to make it better for selling wheat.

Mr. Hamilton: I will ask Mr. Martens to answer this one.

The Chairman: Mr. Martens?

Mr. Martens: Mr. Chairman, it is true that there are 400 grades on the books, but only a very limited number of those are used, possibly four or five of the principal grades and in a year. There would be a very small volume of the others. However, there is a recommendation before the Board now in the survey that was made by Mr. Conacher. Some of these, of course, are statutory grades, and it would cut down the number by approximately 98, I believe, if these recommendations were followed. Their recommendation is on the books.

Mr. Whelan: I think the information we were given at that time is that it would make

it better for selling if the grades were fewer. This is one of the reasons given in the Conacher Report, is it not?

Mr. Martens: Well, actually so far as—

Mr. Whelan: To stop the confusion, I mean.

Mr. Martens: —marketing grain outside of the country is concerned, these grades never enter into it at all.

The Chairman: I recognize Mr. Mazankowski.

Mr. Mazankowski: Thank you, Mr. Chairman, I would like to ask Mr. Hamilton a couple of questions. The first one is, what was the purpose of the recent mission of two senior scientists to Japan?

Mr. Hamilton: The purpose of the mission, Mr. Chairman, was to meet with the Japanese Food Agency, the purchasing agency. They paid particular attention to barley. As you are well aware, we have been facing some very stiff competition in the Japanese market. These were two of our top scientists, Dr. Hlynka and Dr. Meredith, well-qualified men, and we are hopeful that as the result of their visit we will be able to clear up some of the snags that the Japanese laid on their laps.

Mr. Mazankowski: I take it then, Mr. Chairman, that your Board at present is jointly engaged in the study of our loss of markets with the Wheat Board, particularly with respect to rapeseed, barley and wheat, in the country of Japan. Are you active in studying our loss, our inability to procure markets, in other parts of the world as well?

Mr. Hamilton: Mr. Chairman, I think the best answer to this is that we are sending our people abroad just as much as we can. We are limited in numbers and money, but we are bending every effort to meet our overseas customers. I will just read from our last Annual Report. It is under the heading of Overseas Visits:

During 1967 the Chief Commissioner and the Chief Grain Inspector visited several countries in Western Europe to hold discussions with importers and millers of Canadian grain and oil seeds in regard to such matters as the Board's inspection and grading system and the quality of current Canadian grain exports.

The Chairman: Mr. Mazankowski, Mr. Gundlock would like to ask a supplementary. Does he have your permission?

Mr. Mazankowski: Fine.

The Chairman: Mr. Gundlock?

Mr. Gundlock: Mr. Chairman, Mr. Hamilton mentioned snags during negotiations in Japan. I wonder whether it would be possible to name these snags?

Mr. Hamilton: Mr. Chairman, I can certainly name one snag so far as the Japanese are concerned, and it is in our grades of feed barley. It is a big barley market over there. The problem was wild oats—black oats. Most of the grain is rolled and, of course, when it is rolled the black oats show up. It is a matter of appearance more than anything else, but it upset the Japanese.

Mr. Gundlock: They all come from Saskatchewan.

Mr. Hamilton: We are going to take steps to rectify this situation.

Mr. Gundlock: Would you name another problem?

Mr. Hamilton: Another thing that bothers the Japanese, of course, is shipping from the West Coast; the strikes really upset them.

Mr. Gundlock: That is transportation, not grade.

Mr. Hamilton: That is right. Variability in protein that I mentioned before is a bother to them. Their bakeries are advanced and automated now; they want to know beforehand what they are going to receive. They want to receive grain of standard quality.

• 1040

Mr. Gundlock: That comes into your field.

Mr. Hamilton: Yes, it does, sir.

Mr. Gundlock: Thank you.

The Chairman: We will return to Mr. Mazankowski.

Mr. Mazankowski: I have just one more question, Mr. Chairman. I do not know whether Mr. Hamilton would care to comment on this or not, but it was just recently reported that we lost a sale to Poland of 28,000 metric tons of rapeseed to Japan, even though the freight rate on that shipment would be approximately \$8 per ton more than the cost at which we could ship it out of our West Coast ports. Would you care to comment on a situation like that, Mr. Hamilton?

Mr. Hamilton: I do not think I can add much to that, Mr. Chairman. I can tell you that I was in Italy this past spring visiting one of the big oil crushing plants just outside of Rome. One of the Canadian grain companies had a shipment of some 5,500 tons on the way. It was very low grade Canadian rapeseed and these people were concerned about it. The reason they bought it was that the Russians were offering grain at what the Italians called a political price. There was an election going on in Italy at that time, and the price at which the Russians were offering this grain meant that we could not compete in the market at all. I think the term "political price" is a very good one.

Mr. Gleave: Mr. Chairman, in answer to my question some while back, the Chairman of the Board said that the problem of variation in protein in shipments going out of Pacific ports had largely been solved; yet a minute ago he said that the problem still existed and that one of the problems the Japanese complained about was the variability in protein in shipments going out of the ports.

Mr. Hamilton: Maybe I should clear this up, Mr. Chairman. We have only recently got into this program of exchanging cars—a matter of months, Mr. Gleave. So the Japanese were really not aware of this.

The Chairman: I recognize Mr. Stewart.

Mr. Stewart (Marquette): Thank you, Mr. Chairman. I would like to ask Mr. Hamilton a couple of short questions. First, is the price of successful bidders for screenings available to the public in the case of, say, Churchill?

Mr. Hamilton: Mr. Chairman, I think the answer would be that we do not advertise these in the public press. They are sent out to known bidders. I think this is about all I can answer. It is not advertised publicly, no.

Mr. Stewart (Marquette): My second question is: what are the possibilities of increasing storage at Churchill?

Mr. Hamilton: Mr. Chairman, the elevator at Churchill is owned and operated by the National Harbours Board. This is really a problem you would have to lay on their doorstep.

Mr. Stewart (Marquette): Further to that, is the Board investigating the possibilities of overseas storage—in Rotterdam, as an example?

Mr. Hamilton: This is a real hairy one. It is something that Canada has not been involved in up to this point, but it is something that I think we should take a look at.

Mr. Stewart (Marquette): Have there not been cases in the past where we may have lost the odd sale because we did not have stored grain over there at the time?

Mr. Hamilton: Canada, as you know, does not have unsold grain in store outside of Canada.

Mr. Stewart (Marquette): But if we did have it stored, there would be the possibility of more sales, would there not?

Mr. Hamilton: I would think probably.

Mr. Stewart (Marquette): Would the Board be prepared to look into this?

Mr. Hamilton: This is really not within our jurisdiction. The Canadian Wheat Board are very jealous of the job they do, and rightly so. And this is a Canadian Wheat Board problem.

Mr. Stewart (Marquette): Very good. Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Stewart. I recognize Mr. Roy.

[Interpretation]

Mr. Roy (Laval): One last question, just for information. Are the box-cars, which arrive at Fort William during the clean-up period, subject to demurrage charges or are these costs borne by the Canadian Wheat Board?

[English]

Mr. Hamilton: Mr. Chairman, I am not sure that I understand the import of the question.

Mr. Roy (Laval): Are there any charges?

Mr. Hamilton: No, we do not pay any demurrage.

Mr. Roy (Laval): No demurrage is paid for those cars?

Mr. Hamilton: No. Do you mean if they are neld up because of a strike or something like that?

[Interpretation]

Mr. Roy (Laval): No, I am thinking of the time during the clean-up period when the cars are waiting on the sidings. This certainly costs money. For instance, if cars arrive in

the East, after 48 hours, there is a demurrage of \$5 the first day, but it goes up to \$10 or \$15 according to the number of days. Are there demurrage charges in Fort William?

• 1045

[English]

Mr. Hamilton: Not to any government board or agency, this would be a charge to the grain company that shipped it—Saskatchewan Wheat Pool, Manitoba Pool Elevators, United Grain Growers Ltd. It would have nothing to do with us.

[Interpretation]

Mr. Roy (Laval): It is charged to the company then? Thank you.

[English]

The Chairman: Thank you, Mr. Roy. Mr. Whelan?

Mr. Whelan: I just want to go back to the question of grading of corn that comes into Canada. We grade all of our corn that is sold; does your Commission not grade the Canadian corn that is loaded in cars and shipped? Do employees of the Board of Grain Commissioners check these cars for moisture and grade?

Mr. Hamilton: Yes. Once again, Mr. Whelan, on request only.

Mr. Whelan: On request only.

Mr. Hamilton: Yes.

Mr. Whelan: Since being a Member of Parliament I have learned that in the United States—and I see the Deputy Minister looking at me—in the great free-trading country to the south, grades are often more restrictive than tariffs can be. A lot of U.S.-graded No. 2 corn that we have been getting here, compared with our No. 2 grade, is very low; some is as low as our No. 7 but is sold as No. 2 to the consumers, the producers of livestock and so on, in Canada.

I think, Mr. Chairman, this is one thing that this Committee should give serious consideration to. Corn should be graded to allow us to be as restrictive as is the United States Department of Agriculture when it wants to stop the import of an inferior product into that country—and sometimes not such an inferior product. I could use as an example a recent order by the United States Government on tomatoes.

Mr. Hamilton: I think this is a very good point you raise Mr. Whelan. I cannot comment any further on it.

The Chairman: Mr. McCutcheon.

Mr. McCutcheon: Out of approximately 20 to 30 millions of bushels of corn imported into Canada, how much was inspected? If you do not have that information, could you get it for us?

Mr. Hamilton: I doubt that any was inspected, Mr. McCutcheon, but we will get the information and pass it on to you.

Mr. McCutcheon: Thank you.

The Chairman: Mr. Gleave, on a supplementary.

Mr. Gleave: I want to start on an altogether different subject, if I may, Mr. Chairman.

The Chairman: Then I will recognize Mr. Lessard and come back to you. Mr. Lessard?

[Interpretation]

Mr. Lessard (Lac-St-Jean): Mr. Hamilton, in your early comments you mentioned the research branch or research lab the Board has in Winnipeg, and, I'm wondering then if this is not a duplication of work, of unnecessary expenditures because we already have here in Ottawa a research centre which seems to be quite successful because in one of your comments—if I remember rightly—you said that the research done so far in Winnipeg did not produce any better results than those done here in Ottawa in the research centre? So, why are we going to set up other facilities in Winnipeg for research? Since we have already something here in Ottawa, a research centre or a research department, the estimates of which were studied two weeks ago. They carry out research on new varieties of grain. Why should we have another centre here in Ottawa and one in Winnipeg?

• 1050

[English]

Mr. Hamilton: I will attempt to answer it, Mr. Chairman. We are the only people who do the full-scale milling and baking tests on cereal grains. The point you raise is a very good one; it is one that concerns the Board. You have to give these scientists a lot of freedom, you have to give them a lot of expensive equipment to work with or they probably will not stay with you, so the procedure we have used over the year is to write

to the Chairman of the National Research Council and ask him to set up a committee to take a look at our research work to see that we are not duplicating work that is being done in other Department of Agriculture centres, or other universities.

Dr. Spinks, the President of the University of Saskatchewan, was the Chairman of the last one we had. He had about five members with him. They wrote to our people who prepared a summary of the work they were doing and what they proposed to do. The whole committee came to Winnipeg, did a very thorough study of our laboratory and they reported to the Board. I can sum up their findings in a few words. They almost accused us of being a small-thinking, penny-pinching board and that we should greatly expand this operation. That was, in essence, what they reported to us.

Mr. La Salle: So if it should be expanded, the one we have in Ottawa on that same section should be closed.

Mr. Hamilton: We work in a different area. We do the milling and baking and quality control tasks which they do not do here. Mr. Williams can probably add to this.

Mr. Williams: Mr. Chairman, I do not believe that there is any duplication. The Board of Grain Commissioners' research laboratory has two major functions: One is to do quality control and quality research in conjunction with their regulatory function, which is the enforcement of grades, of course, for grain right across Canada.

At the same time they also act as the testing agency for all cereal breeding work conducted by the Department of Agriculture. We do not have duplicate facilities doing the same job. This is why, of course, Mr. Hamilton was able to speak so freely and with such knowledge in respect of the results of our breeding tests in that the actual testing conducted on any varieties of grain that are being developed in our research branch is conducted in his laboratory. It is not conducted in our laboratory.

Therefore, in essence there is no duplication. They do not do the work on the development of the varieties they do not do the breeding work; the research branch does that, but they do the final testing and evaluation of them from the standpoint of commercial quality.

Mr. La Salle: Thank you.

Mr. Whelan: Is it not true, then, that for the many different countries to which you sell wheat you have to find the wheat that is going to make the kind of flour and bread these people want? This is one of the main things you do in your research laboratories in Winnipeg. They actually do the baking; they have a big bakery where they develop it all. Is this not one of the main things you do?

Mr. Hamilton: Yes, we try to show them how to use our wheats to best advantage in their particular market.

Mr. Whelan: To make a bread that they are used to eating.

The Chairman: I will recognize Mr. Lambert.

[*Interpretation*]

Mr. Lambert (Bellechasse): Thank you, Mr. Chairman. I understood, I believe, that the price of sievings are not known to the public. Are the consumers protected in any way against the use by the mills of such siftings? Isn't it true that, since the cost for reselling is not controlled—I don't know this but I'm wondering—perhaps you may have cases of excessive profits, on re-sales of this for the use of the farmers in the East?

[*English*]

Mr. Hamilton: Mr. Chairman, in answer to this question I can only say that this is why the government set up the Canadian Livestock Feed Board, to ride herd on the prices and this question is really their baby.

• 1055

The Chairman: I recognize Mr. Gleave, Saskatoon-Biggar.

Mr. Gleave: Several years ago—and correct me if I am wrong—there was a proposal that the Canadian Wheat Board and the Board of Grain Commissioners jointly set up what I might call a promotion team of men equipped with the selling techniques of the Canadian Wheat Board and the laboratory training that they could get from your agency. Is this so?

Mr. Hamilton: Mr. Chairman, we do have a technical services arm in our research laboratory and we work in close co-operation with the Canadian Wheat Board. It is often at the request of the Canadian Wheat Board that our technical professional people will travel to markets.

Mr. Gleave: Could this be usefully expanded in a sort of joint effort for promotion and sale?

Mr. Hamilton: I think there is no doubt that it could be; there is almost no limit to how much you can expand this sort of promotional thing. It is just a question of the money.

Mr. Gleave: But in your opinion it would be a useful approach?

Mr. Hamilton: Yes, I think the Americans tend to swamp us with promotion, really.

Mr. Gleave: Thank you; this was the opinion that I rather thought might be useful. This could follow through, I suppose, in areas where the developing countries are putting in flour mills, where they need assistance. As well as being sold, they need information about how to use the grain they are getting effectively. Would this be so?

Mr. Hamilton: That is right, Mr. Gleave. We try to get into these countries just as soon as we can.

Mr. Gleave: At the moment you think more people could be used in this area.

Mr. Hamilton: Yes, I do.

Mr. Gleave: Coming back to the matter of screenings, they are graded, if I recall correctly, as to No. 1, No. 2 and so on, are they not? Are not screenings graded?

Mr. Hamilton: There are grades of screenings, yes.

Mr. Gleave: Then, in this movement to which I referred to earlier, large quantities being shipped out, do they escape the grading? How does this happen?

Mr. Hamilton: I think you are right when you say they escape the grading. These are combination country elevator feedmill operations, sitting around the edge of a city like Winnipeg. Those fellows have a lot of leeway in which to operate.

Mr. Gleave: Are they not licensed by the Board of Grain Commissioners?

Mr. Hamilton: Yes, Mr. Gleave, they are licensed as country elevators.

Mr. Gleave: Then, if they are licensed, why do they not come under your grading regulations?

Mr. Hamilton: Because the feedmill part of their operation is something beyond their country elevator licence.

Mr. Gleave: Should they, then, not be brought under? I noted in a statement that was made, the regular grain companies said, in effect, that due to the irregular practices—shall I use that term—of these concerns that the regular grain companies could not meet the selling thing. Does not this leave our standard grain companies at a severe disadvantage?

Mr. Hamilton: I appreciate your concern in this area, Mr. Gleave, and I am well aware of your views. I will ask Mr. Martens to comment on this.

Mr. Martens: Mr. Chairman, this is grain that is being loaded into boxcars at the country elevator level; that is, these companies that you are possibly referring to are combination feedmills and country elevators and there is no inspection at the country elevator level so far as the Board of Grain Commissioners is concerned. Now, if that grain moves to a terminal elevator, it will get a Board of Grain Commissioners official inspection, all of the grain. If it is No. 1 screenings coming into a terminal elevator it will be so inspected, but if that car goes to some small feedmill in Eastern Canada or if, on its way, it is diverted to the United States, there is no official Board of Grain Commissioners inspection at all.

• 1100

Mr. Gleave: Then in that case the consumer at the other end does not know what he is buying at all. He is buying an ungraded grain or screenings and the company shipping could do what we used to call in the West "plug a load", hoping the elevator agent would take his grade off the top and we would have her loaded with junk in the bottom.

An hon. Member: Who would do that?

An hon. Member: Shame, shame!

An hon. Member: Oh, dreadful, dreadful!

Mr. Gleave: This sort of grain then can move—as I take it from what you said—from a country elevator in the Prairie Region right through to the consumer in the East and not be subject to inspection during the course of that transportation?

Mr. Martens: This is correct, although at present in the area where it is going on, the

Canadian Wheat Board have requested that we undertake a sampling of all these cars from particular country elevators about which they are concerned. We are doing this at present and giving them the information.

Mr. Gleave: Do you not think it should be regularized? Do you not think as a matter of practice that the Board of Grain Commissioners should inspect all grain that moves for domestic or export consumption out of Western Canada? This has always been our principle.

Mr. Hamilton: I can say right now, Mr. Gleave, that we are inspecting every car that leaves those elevators in Winnipeg, and this is where the problem is. We are inspecting every single car.

Mr. Gleave: But then there are some going around, I would take it from what you have said.

Mr. Hamilton: No, we have just started this. It was at the request of the Canadian Wheat Board and our own concern. But right now we are inspecting every car that leaves the city.

Mr. Gleave: We may assume that in the immediate future this loophole will be plugged? May we assume this?

Mr. Hamilton: I am not so sure—you are not talking about No. 2 wheat?

Mr. Gleave: I am talking about screenings...

Mr. Hamilton: This is screenings.

Mr. Gleave: ...that are not screenings.

Mr. Hamilton: As I say, we are not able to detect any screenings that are not screenings. Our experience is that it is a good smart operation that is going on there. Maybe too smart for us, I might add.

Mr. Gleave: Surely not. You know it has to move by rail. It is not as though it was moving by truck. It moves by rail; it cannot avoid your procedures if you apply them.

Mr. Hamilton: They object to paying the fee what we charge for inspection. Whether this grain goes out in bags or sacks—it is almost impossible to sample a car of sacks—you just have to probe a few. It is the best anyone can do.

Mr. Gleave: You cannot control it? .

Mr. Hamilton: I can honestly say we make no attempt to control it, absolutely.

Mr. Gleave: You make no attempt?

Mr. Hamilton: To control it absolutely, I said. We have never received a complaint from a producer. We have never received a complaint from the ultimate buyer.

The Chairman: Mr. McCutcheon.

Mr. McCutcheon: I am concerned about the situation that Mr. Gleave has brought up here, but Mr. Hamilton, is this thing not more apparent than real? The purchasers of these screenings, when they arrive down here, do they not get bit only once? I mean, this thing looks to me, Mr. Gleave, as if it is all out of proportion, and you are not paying any attention to the purchaser. They would not buy a second time, at least I would not, if it was wrong. Is this not the case, Mr. Hamilton?

Mr. Hamilton: I would assume this is the case. Much of this grain that goes out is processed. It is ground up. It is mixed with various oil seed screenings, rapeseed screenings, flax screenings, wild oats, and wheat seeds. It is quite a collection. As you say, if the fellow is bitten once he probably will not be back for a second load.

• 1105

Mr. Gleave: To me, as a Westerner, the domestic market in Eastern Canada is just as important as the export market in Japan. I am just as much concerned that our consumer in Eastern Canada receives a graded product which he knows, as I am concerned that the Japanese receive a graded product which they know. This has been the objective of the Board of Grain Commissioners, as I have understood it, and if there is a loophole I think it should be plugged. I do not want to see some consumer in Eastern Canada receive a shipment for which he has paid a dollar, when it is worth only 50 cents. He may not come back.

The Chairman: Would it not be reasonable to assume that in that case there would be a complaint? As I understand it, it looks to me as though something is being billed through as No. 1 screenings, and when it is received it is No. 2 wheat, and no consumer is going to kick about that kind of treatment, and that is why there has not been a complaint. Is this true or false?

Mr. Hamilton: There certainly has not been a complaint, Mr. Chairman.

Mr. Gleave: Well, Mr. Chairman, in answer to that, I have talked to many eastern farmers and to agencies, and you know unfortunately too often when they do get stung they do not know who to complain to. They know they have been had, and their main reaction is that they will not go back there again. They are like me—if I go into a store and buy a shoddy article, I would say I am not going back to that store again.

Mr. Barrett: It seems to me rather strange that he refers to farmers in the West and indicates that they are nefarious rogues, and do you mean to say that a farmer or a producer would not complain after being ill-treated, as he suggests?

Mr. Hamilton: If anyone requests or wants an inspection, they will get it from the Board of Grain Commissioners. But we just do not receive these requests.

The Chairman: I will recognize Mr. Mazankowski, and then Mr. Lambert.

Mr. Mazankowski: I am told that the licensing of new grain varieties in Canada involves a considerable length of time. As there is a slow progress in the licensing, are we not at a disadvantage in competing with some of the new varieties of American wheat, which I am led to understand are able to be licensed in a much shorter time?

Mr. Hamilton: I do not see any danger in our system. In fact, I am sure it works to our advantage. It is a safeguard.

Mr. Mazankowski: In what regard?

Mr. Hamilton: In that by the time grains have been grown and tested for several years, the characteristics are well known. I think the Americans are in trouble. They have varieties down there that are listed for discount when they arrive on the market, and we have a very tight control of varieties in Canada. It is one thing that works to our advantage.

The Chairman: Mr. Lambert?

[Interpretation]

Mr. Lambert (Bellechasse): Thank you, Mr. Chairman. I entirely concur with what my colleague, Mr. Gleave, has said as regards the protection that must be granted to the eastern consumers who should be treated at least as well as the Japanese customers. You said that you never received any complaint. That may well be, but when a consumer is not sure of the quality of the product he has received, he

does not feel very inclined to go back and buy again. If he thought he was buying top quality and afterwards concludes that it was not top quality and if he doesn't know where to go, since he doesn't know the machinery of the system, then I believe there is damage to both producer and consumer. And the suggestion that we find some way of reassuring the eastern consumers with regard to quality must be borne in mind. If this has not already been done, I believe that provisions should be made to set the situation right now.

• 1110

[English]

The Chairman: There may be an answer.

Mr. Hamilton: No, Mr. Chairman, there really is not any answer.

[Interpretation]

Mr. Lambert (Bellechasse): I understand Mr. Hamilton cannot give us an answer. But could the committee express a wish that the Board take steps to improve the service so as to give some security to the eastern consumer?

[English]

Mr. Hamilton: Yes, Mr. Chairman.

The Chairman: I will recognize Mr. Stewart, and Mr. Roy and then Mr. Côté.

Mr. Stewart (Marquette): Thank you, Mr. Chairman. Mr. Hamilton, I am asking for general information at this point, and this would come under the Wheat Board. You stated earlier that you serve on the transportation committee. Because of the problem we are facing in the West right now, in the opinion of this committee what is the present situation with respect to boxcars for the damp grain in this three bushel quota?

Mr. Hamilton: Mr. Chairman, I am in no position to comment on this. It is not our business.

Mr. Stewart (Marquette): You mentioned earlier that you served on the transportation committee. Does this committee meet fairly regularly?

Mr. Hamilton: The Grain Transportation Committee that I am a member of meets very infrequently. The active group is the technical group. I cannot shed much light on it except to say that there is really just no room in the system to move this grain around. The drying problem is really of great magnitude this year.

Mr. Stewart (Marquette): I understood there was not enough grain at the Lakehead at this point to keep the dryers going 24 hours a day.

Mr. Hamilton: The movement is just now getting properly started. It would be some two weeks ago that the order giving damp grain priority went out and it takes about this length of time to get the thing rolling. They are just coming into full drying now.

Mr. Stewart (Marquette): I see. Thank you, Mr. Chairman.

The Chairman: Mr. Roy.

[Interpretation]

Mr. Roy (Laval): Mr. Chairman, I entirely concur with Mr. Lind and Mr. Lambert with regard to sievings.

Mr. Chairman, Mr. Hamilton, as an employee who worked for twelve years in the grain and feed business and mills, the matter of uneven quality has put an end to those quantities. Big firms do not use "cleanings" because of their uneven quality. Unfortunately, these grains are used locally and the consumers have no guarantee whatsoever on the purchase he is going to make and this feed is sold at the same price as that sold by a company or co-operative not using cleanings. So I believe it would be quite important that we have a guarantee of the quality of purchases, I think this would increase the consumption of this type of grain and make it easier to market.

[Interpretation]

The second question is the following: You know that there are always quantities of grain moving directly from the West without going to the Wheat Board and these grains were milled and sent Eastward. And very often, stock-raisers could buy this substandard grain at lower prices and sell it in competition with the grain which had gone through the Canadian Wheat Board. Do you have any idea of the amounts of grains at present being directly marketed without going through the Wheat Board?

• 1115

[English]

Mr. Hamilton: Mr. Chairman, I do not think I can satisfactorily answer Mr. Roy's question. You are into the area here of processed feeds, and to grind these things up and mix them together, as you say, is a difficult matter. It is hard for the farmer to know

what he is getting when he buys this product. I can only say that this whole matter is under investigation by the Canadian Wheat Board right now, and we will have to wait until they finalize their investigations. I would like to ask my fellow commissioners, Mr. Shuttleworth and Mr. Svoboda, if they have anything to add to this. I can assure you that this whole matter is under very thorough investigation at this very moment.

[Interpretation]

Mr. Roy (Laval): Do you have an idea of the volume of grain which is presently going directly Eastward and by-passing the Canadian Wheat Board?

[English]

Mr. Hamilton: I am sorry, Mr. Chairman, I cannot even guess at it.

The Chairman: I suppose it is reasonable to add here that once it becomes ground feed it is out of the jurisdiction of the Board of Grain Commissioners, and if there is some question concerning it it could be brought up when we come back to Vote 1. Agreed? Mr. Côté.

[Interpretation]

Mr. Côté (Richelieu): Mr. Chairman. I would like to get a few things straight. The impression seems to be that there is no inspection made in the East according to what Mr. Lambert said earlier, that in the East there are no inspections and that the consumer is not protected at all. Speaking as a former co-operative manager I may say that when we buy grain, either grade I feed, II feed or III feed, if the quality is not in keeping with the contract that was signed, we call an inspector, and if the quality is not equal to that on the bill, then the supplier is bound to reimburse the price difference. It may happen that an individual who will buy second grade grain and then complains because he did not get the quality required. Farmers are subject to influence, but if competition is fairly keen he can change his supplier if he feels cheated. When you buy a specific quality there are inspectors who are paid by the government and they can come and inspect, at the customer's request, and the supplier can be penalized.

Mr. Roy (Laval): I do not think cleanings are subject to inspection.

Mr. Côté: No, but generally...

Mr. Roy (Laval): But grain is inspectable.

Mr. Côté: Usually when they buy these cleanings they do not admit it. He claims it is of good quality. In such cases it is not the Department's fault as it is up to the farmer himself to buy good quality feed. It's easy to get an inspection, on request, in Montreal. I agree there may be gaps in the system but I would like to set the record straight on this point: It is not true to say there is no protection. It's there for the asking but you have to go and look for it.

[Interpretation]

Mr. Roy (Laval): There is no problem with grain. I have no argument with you there. But when it comes to cleanings there is no standard of quality and no guarantee. So the consumer has no protection.

[English]

Mr. Hamilton: Mr. Chairman, I would like to say that the Board of Grain Commissioners offer a free inspection service to any producer anywhere in Canada. I would further comment that in our annual report we list the inspection of eastern grain. So far as the United States grain is concerned, it is listed as sampled but not inspected, Mr. Whelan.

The Chairman: Gentlemen, that concludes our...

Mr. Whelan: Before you finish I want to make one thing clear. During the discussion on this sale of so-called screenings I think it was intimated that this graded No. 2. I hope we do not give the impression here that the well-known Canadian Western No. 2 wheat is classed as wheat seeds, screenings, et cetera, and it is being graded as No. 2, because we know this is not the case.

I just have one further comment. Is it not true that the small feed dealers, or the people that blend feeds, would be less likely to use screenings in their mix than the large feed dealers who buy it by the boatload?

• 1120

Mr. Hamilton: I would think this was probably true, Mr. Whelan.

[Interpretation]

Mr. Roy (Laval): Mr. Chairman. Would it be possible to have a chart of the Canadian Wheat Board, your Commission, your Board, and the Canadian Harbours Board. It seems to be quite a difficult and complex matter, and if we had the list of the people in charge, it

would be easier for us, the members of the committee, to put our questions to the right people, and we could get an answer without having to wait for the committee to meet.

[English]

Mr. Lessard: What is your direct authority?

The Chairman: I suppose part of this could be provided by the Board of Grain Commissioners and by the Canadian Department of Agriculture. Some of it would have to come from the National Harbours Board. Possibly we as a committee might endeavour to assemble this information for the members of the Committee and make it available to you.

Gentlemen, may I express our appreciation to Mr. Williams for his presence and to Mr. Hamilton, Mr. Svoboda, Mr. Shuttleworth and Mr. Martens for attending our meeting and answering our questions as completely as it was possible to do. We are grateful to you gentlemen for coming. This concludes our questioning.

Items 50 and 51 agreed to.

The Chairman: This concludes the estimates of the Board of Grain Commissioners. On Thursday we hope to have the Canadian Dairy Commission with us and we will deal with their estimates at that time.

Mr. Williams, the Deputy Minister, has a reply to a question asked at a former meeting. Mr. Williams.

Mr. Williams: Mr. Chairman, I am replying to a question that was asked by Mr. Horner earlier concerning a large, white, hullless grain that was grown by the Hutterites. We asked our people in Lethbridge to look into this question and they report that this grain is hullless barley.

A second question was also asked by Mr. Horner which referred to a molasses salt block that was used for bloat prevention, and he asked if we had done any investigational work on this. We did conduct a test in this current grazing season at Summerland, and the use of this block resulted in a 50 per cent reduction in bloat as compared to controls. The report points out that reports from Texas, where the product is used extensively, indicate it is much more effective than that. Our people also sprinkled the active ingredient in this block on grain twice daily, and they reported when they used it in that manner they got very excellent control of bloat.

The Chairman: Thank you, Mr. Williams. The meeting stands adjourned to the call of the Chair.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament

1968

Government
Publications

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 8

THURSDAY, NOVEMBER 21, 1968

Revised Main Estimates (1968-69) relating to the
Canadian Dairy Commission

WITNESSES:

From the Canadian Dairy Commission: Dr. S. C. Barry, Chairman;
Mr. L. A. Atkinson, member.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968

STANDING COMMITTEE
ON
AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (*Lac-Saint-Jean*)

and Messrs.

Barrett,	Howard (<i>Okanagan</i>	Pringle,
Clermont,	<i>Boundary</i>),	Roy (<i>Laval</i>),
Cobbe,	Korchinski,	Smith (<i>Saint-Jean</i>),
³ Code,	Lambert (<i>Bellechasse</i>),	Southam,
Côté (<i>Richelieu</i>),	La Salle,	Stewart (<i>Okanagan-</i>
² Danforth,	Lefebvre,	<i>Kootenay</i>),
Douglas,	Lind,	Thomson (<i>Battleford-</i>
Foster,	McCutcheon,	<i>Kindersley</i>),
Gauthier,	¹ Moore (<i>Wetaskiwin</i>),	Whicher,
Gleave,	Peters,	Yanakis—30.
⁴ Horner,		

Michael A. Measures,
Clerk of the Committee.

¹ Replaced Mr. Gundlock on November 20, 1968.

² Replaced Mr. Noble on November 20, 1968.

³ Replaced Mr. Stewart (*Marquette*) on November 20, 1968.

⁴ Replaced Mr. Mazankowski on November 21, 1968, subsequent to the meeting that day.

ORDERS OF REFERENCE

WEDNESDAY, November 20, 1968.

Ordered,—That the names of Messrs. Moore, Danforth and Code be substituted for those of Messrs. Gundlock, Noble and Stewart (*Marquette*) on the Standing Committee on Agriculture.

THURSDAY, November 21, 1968.

Ordered,—That the name of Mr. Horner be substituted for that of Mr. Mazankowski on the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

THURSDAY, November 21, 1968.

(8)

The Standing Committee on Agriculture met this day at 9:40 a.m., the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Code, Côté (Richelieu), Danforth, Douglas, Foster, Gauthier, Gleave, Howard (Okanagan Boundary), Lambert (Bellechasse), La Salle, Lefebvre, Lessard (Lac-Saint-Jean), Lind, Mazankowski, McCutcheon, Moore (Wetaskiwin), Peters, Roy (Laval), Smith (Saint-Jean), Southam, Stewart (Okanagan-Kootenay)—(25).

Also present: Messrs. Downey, Horner and Rynard, M.P.'s.

In attendance: From the Canadian Dairy Commission: Dr. S. C. Barry, Chairman; Mr. J. Thibaudeau, Vice-Chairman; Mr. L. A. Atkinson, member; Mr. H. Mestern, economist; Mr. A. Blouin, secretary-treasurer.

The Chairman called item 55 of the 1968-69 Revised Estimates relating to the

CANADIAN DAIRY COMMISSION

item 55 Administration, Operation and Maintenance . . . \$303,000.

The Chairman introduced Dr. Barry who, in turn, introduced those others in attendance.

Dr. Barry gave an opening statement and was questioned, assisted by Mr. Atkinson.

The Chairman having thanked the witnesses, Dr. Barry gave an answer requested earlier in the meeting and there were some additional questions.

Item 55 was carried.

At 12.22 p.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, November 21, 1968.

● 0937

The Chairman: I see a quorum. We are meeting this morning for the purpose of considering the estimates of the Canadian Dairy Commission, Item 5 in your revised estimates.

We are pleased, of course, to have representatives of the Canadian Dairy Commission with us this morning. I will introduce the Chairman, Dr. Barry, and I will ask him to introduce the officials who accompany him this morning.

Dr. Barry?

Dr. S. C. Barry (Chairman, Canadian Dairy Commission): Thank you, Mr. Chairman. I will introduce my fellow Commissioners first, Mr. Thibaudeau and Mr. Atkinson, and from our staff, Mr. Mestern, our Economist, and Mr. Blouin, the Secretary-Treasurer of the Commission.

The Chairman: Thank you, Dr. Barry. Do you wish to make a statement?

Dr. Barry: If you wish, Mr. Chairman, I could.

The Chairman: I think it would be the wish of the members that you make an opening statement and give us a little report on your activities for the year.

Dr. Barry: Mr. Chairman, as I am sure members of the Committee know, the Canadian Dairy Commission was established closed to two years ago now under the Canadian Dairy Products Act broadly for the purpose of administering the government stabilization program for the dairy industry.

To review broadly, we perform our function with respect to stabilization in two ways. One is by support of the market prices of major dairy products and we support prices of butter and skim milk powder and cheese. The support prices of these products, of course, establish the basis that is paid to producers for industrial milk and cream. Second, the returns from the market to producers are supplemented by direct subsi-

dies from funds provided by the government through the Agricultural Stabilization Board and which we administer in the form of producer subsidy payments.

● 0940

The situation, very briefly, on the market side is that we support the price of butter, at the start of this year at 63 cents a pound and, of course, when I refer to support prices I refer to car lot support prices. Skim milk powder we support at a price of 20 cents a pound and cheese, we supported during the summer months at 46.5 to 47 cents a pound. The prices which flow to producers from those basic support levels for products are, of course, not a matter in which the federal government has jurisdiction. This is determined, to an extent where it is applied, by any provincial action to establish prime producer prices.

On the second side of our operation which involves our subsidy payments from funds provided by the government, we pay a gross subsidy under a quota arrangement this year of \$1.31 per hundred pounds of milk, or 37.42 cents a pound of butter fat. From that gross subsidy we make a deduction of the estimated amount of money required to finance the cost of disposing of surplus dairy products beyond that which the domestic market will take and which, of course, have to be disposed of at a considerable loss in international markets.

In connection with our subsidy program we also apply a quota arrangement under which each shipper has a quota which is the amount of milk for which he can receive subsidy payments for his deliveries up to the amount of his quota. I think, Mr. Chairman, that members of your Committee know that each year we are allotted a fixed amount of money for subsidy purposes through the Agricultural Stabilization Board vote. The amount of money which we are provided each year is based first on the approximate quantity of milk and cream required to produce dairy products for the Canadian market. The rate of subsidy, of course, is decided by the government and the multiplication of those two

figures gives the sum of money under which we have to operate in subsidy payments. It is for this reason, of course, that we administer this by the allocation of quotas to individual shippers.

On the market side we are about in balance on butter. We have a very serious surplus of skim milk powder. We have a surplus of cheese in the sense that we produce more cheese than Canada uses, but the great bulk of that additional amount goes to Great Britain in what is regarded as a fairly traditional market for Canadian cheese, so broadly we feel that our only real surplus in dairy products is in skim milk powder.

We have a rather peculiar circumstance in this connection. Our Canadian production of skim milk powder has been increasing substantially over recent years, not because of an increase in the total amount of milk or cream marketed by producers, but because increasingly producers have changed from delivering farm separated cream to delivering whole milk. As butter and other fat products are made from whole milk rather than from cream, that leaves a residue of the non-fat solids in the milk which is made primarily into skim milk powder. Therefore, broadly the situation is that if we produce enough butter for our Canadian requirements we produce about twice as much non-fat solids primarily in the form of skim milk powder than we require.

This, as I say, is our major surplus problem. It is a problem which is not peculiar to Canada, because there is a very substantial surplus of skim milk powder throughout the world and this has resulted, of course, in a very high degree of price cutting in endeavouring to get what markets are available and we have been caught up in that. To give you an illustration of the situation, we support the price of skim milk powder at 20 cents a pound and while we made some fairly substantial sales this year, the prices have been quite low and, as a matter of fact, now we have set our target for a price which we might procure recently at 7 cents per pound and we are making no sales. Therefore, that is the extent of the problem in skim milk powder.

• 0945

In butter, as I say, we are about in balance. This year we may be a little below our requirements. Now, I would like to make it clear that we do not budget for a shortage of

anything, but we certainly try to arrange our program to avoid surpluses and particularly a surplus of butter, because while we find the skim milk powder situation difficult for us, the butter situation internationally is even worse. The European Common Market at the present time has a surplus of some 800 million pounds of butter, and where as our support price is 63 cents a pound I suppose one could buy butter from western Europe at the moment at 16 cents a pound. This is the state of the seriousness of the butter situation. So on butter our objective certainly is to avoid a surplus if we can. Of course, the only mechanism we have to exercise any control or restraint over total production is through our quotas on subsidies.

On cheese, as I said, we have in addition to our Canadian consumption a normal export market in the United Kingdom of the order of some 30 million pounds each year. This is a highly traditional market, but it is becoming increasingly expensive to hold it because again, in light of world prices, we have to subsidize it and our rate of subsidy this year has had to be quite high as a result of sterling devaluation a year ago. All these costs of disposing of these surpluses are charged, as I said, against producers by hold back on their subsidy payments.

That briefly, Mr. Chairman, is a thumbnail sketch of what we do and what our present situation is. I am sure that Committee members may have many questions to ask us and we would be glad to do our best to clarify any points which may be in anyone's mind.

The Chairman: Thank you, Dr. Barry. We appreciate your statement. I think it was quite comprehensive. We are now prepared to question our witnesses. I have on my list Mr. Danforth, Mr. McCutcheon, Mr. Moore and Mr. Lefebvre who have indicated their desire to ask questions. I will now recognize Mr. Danforth from Kent-Essex.

Mr. Danforth: Dr. Barry, we certainly appreciate the statement that you have given us this morning. We all appreciate that it was very short in dealing with a very complicated subject.

Because the Canadian Dairy Commission is somewhat new and is playing such an important part in the dairy industry. I think what most of the people in the dairy industry are interested in primarily are the mechanics of the Canadian Dairy Commission. For example, you indicated that the government

allocated a certain sum of money and it was, if I understood correctly, the obligation of the Canadian Dairy Commission to translate that in terms of quota and subsidy payments.

Dr. Barry, I wonder whether you could give us in some detail the terms of reference of the Canadian Dairy Commission. The point I am trying to determine is, for example, whether the government institutes a policy to the Canadian Dairy Commission which they implement together with the provincial administration, or whether, just the reverse, the Canadian Dairy Commission determines a policy and recommends it to the government for the new dairy year; whether or not the entire policy is determined by allocation of funds for the government and that the policy changes each year determinate upon the monies allocated or just how the mechanics of these operations are set up.

Dr. Barry: I suppose, Mr. Danforth, it is a dual matter with respect to the inception and origin and policies for a year. The financial side of it, particularly the matter of funds provided by government, obviously had to be a government decision. It could not be a Commission decision. Our Act requires us, though, each year to submit to our Minister a proposed program for the following year. That is the basic starting point. The government will decide each year what, in terms of total returns to producers, is an objective. Then, from the Commission's standpoint, we must decide and recommend to the government what we would propose in the way of product support prices. Bear in mind that two-thirds of the producers income comes from market prices and not from subsidy, so that the total is a combination of both subsidy and market prices. Once a tentative target is set as to the price required by producers then we will make a recommendation as to what might be feasible in the sense of product support prices. That then leads to a calculation of the balance that has to be provided by a subsidy. This then becomes a determination by the government because it involves expenditure of government funds. That is the basic dollar situation.

• 0950

Involved in the total program of course are many matters of detail—details of our subsidies, quotas and this type of thing. These then are Commission recommendations and they form part of our recommendation to the minister each year for our policy for the forthcoming year.

I suppose in brief, Mr. Danforth, the basic decision with respect to producer returns and the amount of government funds to be provided to the Commission obviously is one for government to make. The mechanical operation beyond that then is one in which the Commission on important matters must recommend each year to the minister, and these then become our program for the year.

Mr. Danforth: I have one more supplementary, Mr. Chairman. I know that many members wish to ask questions this morning and perhaps I could return later.

We are all well aware that many of the provinces have their own legislation dealing with the various dairy problems. What part do the provincial governments and the dairy association itself play in respect of the Canadian Dairy Commission. In other words, do they make recommendations to the Canadian Dairy Commission, and are they invited to submit their problems and proposed solutions? I am interested in the tie-in.

Dr. Barry: I should have clarified this earlier to make our position completely clear. As Committee members know, there are actually two sides of the dairy industry: there is what we call the fluid milk side and then the industrial milk and cream side. We do not participate in the fluid milk side of the business; this is all under provincial control and provincial pricings.

There are in every province boards, commissions or some such body drawing their authority from provincial legislation having to do with fluid milk prices and fluid milk operations. There are only three provinces in which there are agencies operated under provincial authority involved in the industrial milk area, namely British Columbia, Ontario and Quebec. In the first place, if there is to be any steadying of producer prices for industrial milk, that responsibility rests with them.

All of these bodies do in fact make a great many representations to us. We have two national organizations on the industry side: one is the Dairy Farmers of Canada which is on the producers side, and the other is the National Dairy Council of Canada which is on the processors side. Then we have these provincial boards which may make representations.

● 0955

Within our Commission we have a consultative committee of nine people with whom we meet periodically during the year to discuss our programs. This committee draws representation geographically and from both sides of the industry. As an indication of the extent of our broad discussions with industry and reception of representations from industry, last year Mr. Greene, the minister at that time, called two broad industry meetings to discuss general policy matters. One meeting was held in October and one in January. This year Mr. Olson has called a similar meeting for next month at which there will be representation from the provinces, from producer organizations and from processor organizations. At this meeting a broad analysis will be given of what we are doing, there will be criticism of it, and there will be suggestions made with respect to it. Obviously, these are not policy-making meetings, the purpose of these meetings is to get the thinking of the people in the industry and of the provinces across the country.

I can assure you that we have the feel of the thinking of the various organizations and groups involved in the industry by their representations at meetings with us.

Mr. Danforth: Thank you, Dr. Barry.

The Chairman: Thank you, Dr. Barry and Mr. Danforth. I will recognize Mr. McCutcheon (Lambton-Kent).

Mr. McCutcheon: Thank you very much, Mr. Chairman. I have only one or two very brief questions.

Dr. Barry, in your previous answer you used the expression "the amount of income required". I am just a little confused. Would you elaborate on that? What is the yardstick used to decide what income is required?

Dr. Barry: Mr. McCutcheon, we have no precise yardstick. It is in part an appraisal of representations from producer organizations, it is in part an appraisal of our own, the department's and government's feeling as to what is required. We have the difficulty that I suppose is common to all agriculture: How do you get the true cost of production as far as the producer is concerned? You cannot do it. I think in previous meetings of this Committee that the Minister and the Deputy Minister indicated something about this program for computerizing and analyzing farm operations,

which may give us a bit more information. It is basically a judgment matter as to what is thought desirable as a gross price to producers of industrial milk and cream, and combined with that of course is the government's decision on what they feel they should do. I suppose this is always the way these things go. Then having decided on what they felt is a desirable price and, coupled with that, what can be met in the terms of the resources to provide it, a gross figure is arrived at. You see, last year when we brought out the policy for the present year the target price was a gross of \$4.85 per 100 pounds for industrial milk, with a calculation of \$3.54 of that coming from the market and \$1.31 from subsidies. The \$3.54 from the market is just a calculation because actual paying prices vary a great deal in different provinces and different areas. The subsidy rate is fixed at \$1.31 gross. I suppose this is broadly the mechanics of the basic decision.

Mr. McCutcheon: In other words, this decision is made through representations by your Commission and the government.

Dr. Barry: Representations from industry organizations to us and to the government and our appraisal of those I suppose would be the proper way to put it.

Mr. McCutcheon: If this is not a fair question you need not answer it. Does your program have as an aim the phasing out of small dairies?

Dr. Barry: As you know, we phased out during this present year shippers who last year shipped less than 420 pounds of butter fat. When I say that we phased them out, we phased them out from subsidy payments, we did not phase them out from the industry. We cannot tell people whether or not they can be involved in dairying. We are involved here in a question on which there are some wide differences of opinion in different parts of the country. The dairy industry in Ontario and Quebec is a different breed of cat than the dairy industry in the prairie provinces. Broadly speaking, the producers of industrial milk are a different breed of cat than cream producers. There are all these considerations to take into account.

I think that there was general agreement with the phasing out of people who shipped less than 420 pounds because it was felt that these people really were not serious dairy men. Whether we will progressively go above

that, I cannot say at the moment. This will have to be a policy decision after discussion with the industry.

• 1000

We feel basically, and certainly with respect to industrial milk producers, that if we are going eventually to accomplish the degree of efficiency in the industry that can make it more self-sufficient then there has to be involved in that a rather larger average production unit than we now have. This, of course, is the goal, but how quickly we will arrive at it, or what steps we may take in the coming year, I cannot say, sir.

Mr. McCutcheon: I have one final question, Mr. Chairman. It is relative to the differential in price of the so-called fodder cheese and patented cheese. My palate is not good enough to detect the difference.

Frankly, I cannot see any reason for there being a differential. The so-called grass cheese, which is basically a summer cheese, is considered by people in the industry and by cheese-buyers to be the cheese which will mature best in storage. This is their assumption. Is this true?

Dr. Barry: Many people increasingly are saying that they can mature winter cheese, as well; but certainly in the British market—and they are, I suppose, traditionally inhibited by prejudices and do not want winter cheese—they just want the summer cheese.

However, I think it would be wrong to assume that our differential in pricing between summer and winter cheese is based on the concept that winter cheese is not necessarily as good as summer cheese. As a matter of fact, a lot of winter cheese is sold in this country; a great deal of the cheese for current sale is winter cheese.

In arranging our operation this year we felt that we had to have a program which would discourage surplus production of winter cheese, because there is no market for it outside Canada. The British market will not take it. They will take summer cheese, prices and everything else being right. Therefore, we fixed our support price for winter cheese at a level which we hoped would discourage production beyond the requirements of the Canadian market. This is the basic reason for it.

There was a concern when we did this that the price would be a losing one to cheese

factories. It would be, if this was the price they took, but we also know that the price at which major cheese-buyers have contracted and are contracting for winter cheese is well above that. The cheese-producer is not going to produce cheese to sell at 42 cents a pound; he cannot afford to.

On the other hand, if he only produces the cheese that the market will take currently he is going to get much more than that. In fact, we have some reason to believe that the price at which the major Canadian buyers will buy cheese that they require during the winter months will be very close to the summer price.

Mr. McCutcheon: Thank you very much.

The Chairman: Thank you, Mr. McCutcheon.

I recognize Mr. Moore (Wetaskiwin).

Mr. Moore (Wetaskiwin): Thank you, Mr. Chairman.

My first question, Dr. Barry, is practically the same as Mr. McCutcheon's, except that I am going to ask for your opinion of what our break-even price would be for a milk shipper. You gave us the figure of \$4.85; but, of course, that is above a break-even price.

Dr. Barry: This depends very much on individual producers. There will be representations to us in the Government from the major farm organization in Quebec that they require a higher price for this coming year. I would not care to say whether it is a negotiating position, or...

Mr. Moore (Wetaskiwin): I know it is a difficult question. I realize that prices for fluid milk are set provincially, but there may be a fluid milk shipper who is receiving under a break-even price—this is the case in some parts of Canada—because of the fact that his surplus milk is not realizing a very high price; there is no subsidy on it. Where does he go? He is a man with a fantastic investment in money and a large herd built up. He cannot obtain a subsidy quota by switching to manufacturing milk.

• 1005

Is this a permanent policy, or is it a yearly policy and likely to be changed?

Dr. Barry: Mr. Moore, last year, which was our first year of operation, when shippers to the fluid milk market were excluded from

subsidies on the portion of the milk used for manufacturing purposes, we made a provision that we would accept fluid shippers who had a fluid quota of less than 45 per cent. If they wanted to change over to become industrial shippers we would accept them.

Mr. Moore (Wetaskiwin): Yes; I recall that.

Dr. Barry: I wish to clarify one point here. We feel—and I think there is a broad feeling of the validity of this across the industry—that the segregation of fluid milk and industrial milk into two separate camps is not in the long run desirable for the dairy industry; that any milk shipper who can meet qualifying standards for fluid milk should be able to participate in the fluid milk market.

If we propose to reach gradually a stage of greater self-sufficiency in this industry all who are able to produce an equivalent quality of milk should be able to benefit from all portions of the market. There are now two provinces, British Columbia and Ontario, where the fluid portion of the market is open to any shipper who can qualify. We have made it a firm and, I hope, a continuing, part of our policy that in any province where there is this pooling of fluid milk—where every qualifying shipper can participate in the fluid milk market—we will recognize all surplus milk, subject to some deductions and quotas, and so on, as being eligible for subsidy.

Mr. Moore (Wetaskiwin): Yes.

Dr. Barry: Of course, the practicality of achieving it depends on circumstances. In a province such as Prince Edward Island, where only five percent of the milk goes into fluid business, the situation is different from that in Ontario, where 30 or 40 per cent goes in, or in British Columbia, where over 50 per cent goes in.

Mr. Moore (Wetaskiwin): Yes; that answers my question fairly well.

I will pass for now.

The Chairman: I have a supplementary question. Will this recognition take place in 1969, 1970, or—?

Dr. Barry: Of the fluid milk—?

The Chairman: Yes; of surplus fluid being eligible for a federal subsidy?

Dr. Barry: This has been in effect in British Columbia for many years. It started in 1962.

Actually, British Columbia had been pooling milk before that. Since 1956 the market has been open to every shipper.

In Ontario, the Ontario Milk Marketing Board formally set up a so-called Group I Pool on March 1 this year, but industrial milk shippers became eligible to enter it on September 1 this year. Therefore, the policy I have just announced, of the opening of the fluid market to industrial shippers, became operative in Ontario on September 1 this year.

Mr. Moore (Wetaskiwin): I have a supplementary. At the present time at this stage of the dairy year no fluid milk shipper could change to manufacturing milk and receive a quota?

Dr. Barry: Of course, there is not much point in doing it in Ontario now.

Mr. Moore (Wetaskiwin): No, of course not; but there are provinces where it may be necessary?

Dr. Barry: Yes, that is right. If I may say so, the background to the thinking here is that the industrial milk shipper, apart from these two provinces, cannot participate in the fluid market.

Mr. Moore (Wetaskiwin): It is a matter of economics, is it not? The operation has to pay, or it is not an operation.

Dr. Barry: They all had a chance to come in last year if their quota was less than 45 per cent.

Mr. Moore (Wetaskiwin): I have an argument against that, too. That is not time enough to make up one's mind.

Dr. Barry: They had the year, sir, to make a change.

The Chairman: Does that conclude your questioning?

Mr. Moore (Wetaskiwin): Yes; for now.

The Chairman: I want to take one minute to alert the Committee to a possibility.

Last week we planned to call the Dairy Commission today, the Feed Board next Tuesday and following that the Farm Credit Corporation, and so on. Because of the multiplicity of committees meeting next week and the urgency for certain committees to complete their work, this Committee will not

be able to meet next week. As you will realize, there comes a time when these Estimates are taken away from us. I merely mention this to alert the Committee to the possibility of spending quite a lot of time on one or two subjects, and then not being able to complete our consideration of some of the others that are left towards the end of our hearings.

• 1010

This is not to alarm you nor to try to railroad something; it is only to say that there is a limit, and if we can use a little extra time today and conclude our consideration of this Department's estimates it might expedite the business of the Committee as a whole.

Mr. Danforth: Mr. Chairman, would you mind elaborating on this—the estimates being taken from us.

The Chairman: There are only so many days allowed for estimates in the House and when that time has expired then, of course, all the estimates that are currently before the committees will be withdrawn. This is because we have only so much time to complete our consideration of the estimates before they will be recalled to the House. This is the catch. And then, of course, we will be provided with the new estimates for 1969-70 early in the new year, and we will want to spend as much time as we can on those new estimates because most of the money involved in our present considerations has been used anyway. Do I answer your question?

Mr. Danforth: Mr. Chairman, could we perhaps deal with this in the steering committee?

The Chairman: Yes.

Mr. Gleave: Why is the Committee not meeting next week?

The Chairman: Because of the multiplicity of other committees that have to meet, and because they are unable to provide rooms and staff to supply us and help us with our meetings next week. In other words, some of the other committees have priority over us next week and we will be meeting the following week.

I recognize Mr. Lefebvre.

[*Interpretation*]

Mr. Lefebvre: Thank you, Mr. Chairman. First of all, I would like to congratulate you Dr. Barry and your staff, for the efficient way

in which you operate the Canadian Milk Board. I received complaints two years ago, but this year, these complaints have almost become nil and this is, I believe, thanks to you and your colleagues.

There are figures I am interested in and that I believe we should have in our present report today. I would like to know the number of producers in Canada, in Quebec and in Ontario? And, the total production in Canada, in Quebec and in Ontario? The average production per producer for Canada, for Quebec and for Ontario? And, the average production per cow for Canada, for Quebec and for Ontario?

[*English*]

Dr. Barry: I have some figures here, Mr. Lefebvre, which may not be in the order in which you asked for them but I can give them to you.

I think it best, in giving figures of average production, to separate milk and cream because they are different.

In Quebec last year the average production of milk per farm—and I am referring now to our own records of the people who are registered with us and who receive subsidy and on whom we have records—was 3,267 pounds of butter fat. We express these figures in pounds of butter fat. It was 4,851 in Ontario, and an average of 3,744 in Canada.

For cream it was—Quebec, 1,375; Ontario, 1,577; and Canada, 1,074.

You asked, sir, the numbers of shippers. The number of shippers who have quotas with us this year in Quebec is 42,949; Ontario, 27,718; Canada, 109,799.

• 1015

The average milk production per cow in Ontario in 1967—and this takes in both milk and cream—was 7,199 pounds; in Quebec, 6,602; and in Canada the figure is 6,600. These are not our figures; they are the Dominion Bureau of Statistics figures.

May I, as a matter of interest to the Committee while I am giving those figures, give the average production per cow in two United States states roughly equivalent to our two major dairy provinces in Canada, Ontario and Quebec. The average production per cow in Wisconsin is 9,600 pounds, and in Minnesota, 9,421 pounds.

Mr. Gleave: I have a supplementary, Mr. Chairman. Would you also have figures for the other provinces, Saskatchewan, for example?

The Chairman: Yes, sir. I think numbers right across the board might be useful.

Dr. Barry: This is the number of producers in each province to whom we have given subsidy quotas for this year. Prince Edward Island, 2,656; Nova Scotia, 1,009; New Brunswick, 1,908. I have given Quebec and Ontario. Manitoba, 8,845; Saskatchewan, 10,034; Alberta, 14,224; and British Columbia, 456. That British Columbia figure is for industrial milk shippers; it does not include the fluid shippers in British Columbia. The total is 109,800.

In addition to that there are about 1,800 people in the fluid pool in British Columbia. These are just industrial milk and cream shippers.

[Interpretation]

Mr. Lefebvre: Could you give the total production for Canada, Quebec and Ontario, the total production?

[English]

Dr. Barry: Again in terms of pounds of butter fat, and these are 1967 figures, Quebec, 149,000,000; Ontario, 118,000,000; and Canada 339,000,000. These are production deliveries by our quota holders for last year.

[Interpretation]

Mr. Lefebvre: Are these quotas held by the Commission, based on the overall production or on the overall consumption?

[English]

Dr. Barry: The total global figure of quotas is based on the approximate amount of milk and cream required to produce dairy products for the Canadian market. The individual producers' quotas were first established last year in 1967-68. Each producer then received a quota for the amount of his 1966-67 deliveries. In the present year, after having excluded the under-420s, those who fell below their quotas last year, we retained their same quotas for this year. Our decision at the moment is that we are not cutting a man's quota because he underdelivers unless he does it two years in succession, but we did not do it for the first year; so that broadly speaking, at least those who are in our ball park have quotas this year for their last

year's production, and in some cases where they did not deliver for more than their last year's production. Now, it so happens that this balances with the total amount we have available to issue.

• 1020

[Interpretation]

Mr. Lefebvre: When you discuss new policies, do you consult with the producers associations from out Canada?

[English]

Dr. Barry: Yes we do, Mr. Lefebvre, as I indicated earlier. We receive representations from them and we have meetings with them. We do not, I suppose, in the final analysis, say this is our policy, do you agree with it, but our policies certainly are made up and devised in relation to representations that are made to us. We do not always meet all the requests that are made to us, of course.

[Interpretation]

Mr. Lefebvre: Another question. Are the quality standards regarding bacterias for milk powder, the same as last year with a maximum of 400 millions bacteria?

[English]

Dr. Barry: I knew there would be some question you would ask me that I could not answer. No, we lowered the standard but I forget the precise figures, I am sorry.

Mr. Lefebvre: Perhaps, you could put it in as an appendix to this?

Dr. Barry: I would be glad to, sir, yes.

An hon. member: It is more like 20,000—

Mr. Moore (Wetaskiwin): Oh, no; it is more than that.

An hon. member: Bacteria count?

Dr. Barry: In the first place, there are two bacteria counts. There are the viable, the living organisms, and the dead, which is a plate count and these are two different standards. May I give this to the Committee separately? I prefer not to guess at it. I am sorry I do not have the information with me.

[Interpretation]

Mr. Lefebvre: Thank you Mr. Chairman.

[English]

Mr. Horner: I wonder if you would just enlarge before you leave this part, Dr. Barry,

on why you think there is so much discrepancy between milk production per cow in Canada and, say, Wisconsin and Minnesota?

Dr. Barry: Well, I would think as a rough appraisal that probably the industries in the two United States states which I mentioned are probably larger units on the average and I think probably in the sense of industry development they have reached probably a higher degree of efficiency than the average in Canada. You have to bear in mind that Wisconsin alone produces as much milk as the whole of Canada and there are virtually no cream shippers involved there. There are virtually no cream shippers left in those areas, you know, so it would be all milk shippers.

The Chairman: May I raise a point here? In reply to Mr. Lefebvre's question, it was suggested that the answer to this question would be as an appendix to our record of proceedings. That would require the agreement of the Committee. It would probably be simpler if this information would be obtained before we conclude our meeting this morning and then just give it as an answer in the record little later. This would save all this. Could that be done? Mr. Lefebvre, have you concluded your questioning?

Mr. Lefebvre: Yes, I have, thank you.

The Chairman: I will recognize Mr. Lessard, Lac-Saint-Jean.

[Interpretation]

• 1025

Mr. Lessard (Lac-Saint-Jean): Dr. Barry, I have five questions, I shall try to make them as precise as possible. As we imported butter last year, because of our inadequate production what control do you have, what control does your organization have on the orientation of butter, cheese or powder milk production? Do you have any control other than existing subsidies or support prices? This is my first question.

Second question now: What is the total milk production for Canada in the last five years?

Third question: What are the total monies given as premiums on milk for quota producers during the past three years?

I have two more questions, but I shall come back to them later.

[English]

Dr. Barry: Mr. Lessard, on your first question which had to do with butter imports, in the early part of 1967 when our position was quite tight we brought in 2.25 million pounds of butter from New Zealand. I expect that we will have to bring in butter during the coming winter to balance our position. As of November, our stock position on butter was 5 million pounds below a year ago, and last year we were quite tight.

Now, this is not much more than 1 per cent of our total butter production.

We exercise no direct control over production of butter, powder or cheese. The only mechanism we have to control or direct is by our levels of price support. May I say, with respect to the importation of butter which I know is a subject of some quite considerable interest, that I think if fortuitously or by management, whichever it may be, we can end up a year not more than 1 per cent over or under our requirements we are very fortunate.

I would hate to think of our being in a situation now where we had a surplus of butter because, as I mentioned earlier, there just is no place to dispose of it at almost any price. Whether the present situation on butter is a result of our management or whether it is fortuitous—and I think to some extent it is fortuitous—butter production on the Prairies has gone down over the past several years as a result of the rather good position with respect to cereal grains.

Incidentally, when we had to import a little butter in the early part of 1967 there could then be no suggestion that this was due to government policy in any respect because there were no restrictions on subsidy payments or anything else. I think we are very fortunate when we can end up a year being within about 1 per cent of our requirements one way or the other.

Your second question was, what is the total milk production for Canada? In 1963 it was 18.5 billion pounds; 1964, the same; 1965, 18.4 billion; 1966, the same; 1967, 18.3 billion. Now, you asked me what was the total amount of money paid in subsidies. The amount of money available to us for subsidies this year is \$125 million. The amount of money available to us for subsidies last year I think was \$120 million. I do not have the exact figure. The year before that it was \$90 million.

• 1030

Mr. Lessard (Lac-Saint-Jean): That would be for 1966.

Dr. Barry: Yes, 1966.

Mr. Lessard (Lac-Saint-Jean): And would you say around \$110 million in 1967?

Dr. Barry: Yes. I am sorry, I do not have the exact figure here. I think it was of the order of \$120 million. Yes, that is right, \$120 million.

Mr. Lefebvre: May I ask a supplementary question?

The Chairman: If Mr. Lessard gives you permission.

Mr. Lessard (Lac-Saint-Jean): I have two more short questions in order to finish. Perhaps you could come back to that point.

Mr. Lefebvre: All right.

[Interpretation]

Mr. Lessard (Lac-Saint-Jean): Two other short questions, Doctor. In 1967-68 and 1968-69, have you accepted new producers without any transfer of quota who have not purchased herds of cows with a quota and when will the new milk policy for next year be officially announced?

[English]

Dr. Barry: Of course, in 1967-68 anyone who had been a shipper the previous year had a quota. This year we provided quotas to all new shippers who registered with us in 1967-68 but did not have a quota for that year. This year we have said that we are not able to provide quotas to any new shipper except by way of what we call reallocations, where a purchase occurred of an existing quota holder. I would like to come back to that in a moment.

In relation to your question as to when the policy will be announded, I cannot give a precise rate. It is our hope—and I know it is the hope of Mr. Olson—that we will be able to announce it rather well in advance of the new dairy year, which starts on April 1. However, may I draw to your attention that there are two elements in the policy; one is the broad policy relating to quota arrangements, subsidy arrangements, this kind of thing, and the other element is our product support prices. We never announce these more than a day in advance because it has a

commercial implication. We would never say on the 1st of March that we are going to reduce or raise the price of butter on the 1st of April because we cannot do that. We give one day's notice on that kind of thing.

Mr. Lessard (Lac-Saint-Jean): Thank you.

The Chairman: Thank you, Mr. Lessard. Mr. Lefebvre has a supplementary question.

Mr. Lefebvre: You gave us a production comparison between the United States and Canada. Could you also give us a comparison between the consumption of butter per person in the United States and Canada.

Dr. Barry: The consumption of butter per capita in the United States is now about five pounds per person. In Canada it is 16.

Mr. Lefebvre: Is that going up or down, sir?

Dr. Barry: In both cases it is going down.

An hon. Member: What about milk?

Dr. Barry: In the United States in 1960 the total consumption of milk, based on a whole milk equivalent—as you know, this includes milk and cream and everything else—was 309 pounds per capita and in 1967 it was 281 pounds per capita. The per capita consumption in Canada—and I do not have the figures going back to 1960 as I did in the case of the United States—of fluid milk products in 1964 was 320 pounds per capita and in 1967 it was 307 pounds.

• 1035

Mr. McCutcheon: Could I ask a supplementary here. Is the reason for this in the United States the impact of substitutes for dairy products?

Dr. Barry: I would not think substantially, because when we compare that seven-year period the so-called substitute—which is basically a filled milk in certain states—I would not think would have an impact that would show in this comparison. You see, this has been a gradual decrease over these years, and I think it has only been within the past year, roughly, that the filled milk has come into the United States. In 1960 in the United States it was 309 pounds per capita and in 1964 it was 294. There has been this regression right along.

Mr. McCutcheon: I am thinking specifically of margarine.

Dr. Barry: I am sorry, I thought you were talking of fluid milk, sir.

Mr. McCutcheon: No, no.

Dr. Barry: Margarine, certainly, oh yes.

Mr. McCutcheon: This would be reflected?

Dr. Barry: Oh yes.

The Chairman: I come back now to my list of questioners and I recognize Mr. Peters.

Mr. Peters: Mr. Chairman, I would like to ask what relationship the Commission has towards the total pooling of milk by provinces?

Dr. Barry: I suppose, Mr. Peters, that in effect the most important relationship we have is our established policy that when this takes place we then take everything into our ball park as one industry.

Mr. Peters: Are you suggesting this is federal rather than provincial?

Dr. Barry: No, not that, sir. It is just that when the fluid market is open to all qualifying shippers we will consider surplus fluid milk in that area as being eligible for our subsidy under our quota system and subject to certain deductions. When you speak of the feasibility of this in the three Prairie provinces, for example—the total use of fluid milk and the numbers of shippers—it hardly makes it practical. In Saskatchewan, for example, we have only one industrial milk shipper—everything is cream, you see—so you cannot think of pooling there. As I mentioned a moment ago, in Prince Edward Island only 5 per cent of the total milk production does into fluid, so pooling really does not achieve a great deal.

Mr. Peters: Can you not work it the other way? Instead of pooling it into the fluid milk market, pool it into the industrial market. Where you have only one large industrial shipper would it not work better the other way? In other words, the province would get out of the field and the federal government would handle the total quota picture?

Dr. Barry: You see, the basic provincial involvement in the fluid milk area is in pricing, and the pricing within a province is not, constitutionally, a matter of federal jurisdiction. This is under provincial jurisdiction. The question of quotas...

Mr. Peters: Yes, but obviously in both cases we are talking about an arrangement. There will have to be agreement by the federal gov-

ernment in order to allow the industrial quota to go into provincial jurisdiction. It seems to me that the reverse would also be true.

Dr. Barry: I think apart from British Columbia and Ontario—and partly in Quebec, where quotas are controlled to some extent by local boards—the quotas are really not provincial government quotas, they are quotas provided by the dairies to whom the people ship.

Mr. Peters: Originally, but this varies from province to province.

Dr. Barry: Yes. Of course, in Ontario it is all administered now by the Ontario Milk Marketing Board.

Mr. Peters: But even previously the producer boards were operating on the basis of the old milk marketing legislation, which gave the producer the right to negotiate on an area basis.

Dr. Barry: Yes, that is right.

Mr. Peters: I am just wondering why that cannot be reversed in the Prairie Provinces and the provinces can give up that jurisdiction. They have the jurisdiction which allows an orderly arrangement between a milk marketing board and the producer. In other words, they were the ones who gave the producer the right to negotiate. I am just wondering why they cannot give it up.

• 1040

Dr. Barry: So far as I am aware Mr. Peters and to use the Prairie Provinces again as an example, I do not think that any provincial agency or any board under provincial authority exercises any jurisdiction over quotas, over fluid milk quotas. I think this is the dairies entirely.

Mr. Moore (Wetaskiwin): It is true in Alberta, dairies entirely.

Mr. Peters: Let us go to British Columbia. Ontario is totally confused, but British Columbia, I understand, is not so confused because all the milk in British Columbia is pooled milk.

Dr. Barry: No, not always.

Mr. Peters: I understod there was total pooling in British Columbia.

Dr. Barry: Mr. Atkinson could probably comment on that.

Mr. L. A. Atkinson (Member, Canadian Dairy Commission): Mr. Chairman and gentlemen, in British Columbia the situation is this. There are five pooling areas which have been set up under the milk industry act and by the milk board. In each of those areas there is a pool of what they call qualifying milk, and this is milk which on the basis of the farm premises and the quality of the milk, and the regularity of shipments, would qualify to enter the fluid market. Now, into that market, into that pool can come any time a man who has been an industrial shipper but who becomes qualified, his farm premises and his milk. He applies to the Board to enter the pool and he ships for one year as an industrial shipper, and then if everything comes up to the standard he is admitted into the pool on a graduated basis. He does not come in as a full-fledged quota holder. But, on the basis of their calculations—it would take a little while to explain it—he is entitled the first year to 20 per cent of the total eligibility for pool shippers in the matter of quota. Each year he has another 20 per cent added, so that after five years in the pool, he becomes eligible for a quota in relationship to the other quota holders in the pool.

Outside the pool there are a few shippers, not very many—some milk shippers and some cream shippers—who are not qualified. We call them non-qualifying shippers. They are straight industrial shippers and they are treated by the Commission in the same manner as industrial shippers in any other province.

Mr. Peters: Why I am asking these questions is that I am wondering what steps we are really taking to pooling all the milk, because we are running into an enormous problem I am sure in many of the provinces—we certainly are in Ontario—in the disparity between fluid milk price and surplus fluid milk price where they are not under subsidy at all, and the \$6.50 or \$6.80 or whatever it may be for a hundred is being reduced to \$3.25 so that the total amount is probably not unrealistically the industrial price.

I think maybe this is the same in Alberta because of the question by Mr. Moore. The surplus milk is obviously having a great effect on the total amount of milk that is available for Canadian production. Obviously the industrial quota is going to have to be set on the total amount of milk produced and the distribution of it, so it seems to me that we should be moving very rapidly or as rapidly

as possible into getting control of all the milk either totally in the provincial field or totally in the federal field.

Dr. Barry: Whether constitutionally we can achieve this, I do not know. Mr. Moore could correct me on this, but my impression is that in the Prairie Provinces shippers who have fluid milk quotas, in the main have fairly substantial fluid milk quotas.

• 1045

Mr. Moore (Wetaskiwin): It varies. In the Edmonton milk shed they have, but in the remainder of the province those who ship to smaller points, even though they may be cities, have not, and this is their big beef, of course. Their fluid milk quota may be as low as a quarter of their total production.

Dr. Barry: I know in Saskatchewan they have difficulty getting enough fluid milk.

Mr. Moore (Wetaskiwin): Yes.

Dr. Barry: So the quotas there I would think would be fairly substantial.

Mr. Peters: Would you explain how far we have gone in this regard in Ontario? I am aware of the fact that some of the areas—it is divided into areas—have gone into pooling but this appears to me, in meetings that I have been at, not really to be pooling as I would anticipate it, but rather a pooling of transportation costs and distribution expenses rather than pooling of the full market in that area.

Dr. Barry: It is not pooling in the sense of arriving at one price for all milk and then dividing that up. It is pooling in the sense of everybody being able to participate in the fluid milk market. In Ontario under the administration of the Ontario Milk Marketing Board, as of September 1 of this year, any industrial milk shipper who applied to enter what they call the Group 1 pool, which is a fluid pool, and whose premises and milk quality qualified, was eligible to enter. He was given a quota on the same basis as the existing people in the pool, but as in the case of British Columbia, that is arrived at over a 5-year period.

My understanding is quite firm that in Ontario any industrial milk shipper who wished to enter what they call the fluid pool and sell part of his milk as fluid milk, and pay for it as fluid milk, and his premises and milk quality qualified, was eligible to come

into the fluid pool. You are quite right, sir, it is not a pooling in the sense of the pooling of total prices. So much milk is paid for at the fluid price and so much is paid for at the industrial milk price.

Mr. Peters: It seems to me, and this is probably policy, that in Canada we have not anywhere near reached a potential in dairy production. What that potential might be I would hesitate to guess, but I would think that in the case of Ontario it could stand probably a 25 per cent increase if we can upgrade our herds to the extent they have in Wisconsin, just by upgrading the herds without increasing anything. But our total production is probably 50 per cent of our capacity right now.

This all seems to me to hinge on markets, and the Board appears to have used as their over-all basic quota only the amount they can sell in a normal market. What steps are being taken by the Canadian Dairy Commission to go into the marketing agency? Let us take, for instance, cheese in Ontario and Quebec. Devaluation in Great Britain had a terrific adverse effect in Ontario. It put the cheese board out of business, overnight almost. It went bankrupt and was taken over by the Milk Marketing Board. Is the federal government anticipating national sales marketing policy?

Dr. Barry: Not at the moment.

Mr. Peters: Why are we not?

Dr. Barry: I think I might correct one point where my understanding is different from yours. There was in Ontario the old Ontario Cheese Producers' Marketing Board, and there were several boards having to do with different outlets for milk. When the Ontario Milk Marketing Board was formed they were all put into the Ontario Milk Marketing Board.

Mr. Peters: But not anywhere near the same type of board. The Milk Marketing Board is not duplicating the work that was done by the cheese board, for instance.

Dr. Barry: The old Cheese Producers' Marketing Board? Pretty well.

Mr. Peters: So far as I know it is not actively in the market of selling cheese.

Dr. Barry: Yes, to the same extent that the old Cheese Producers' Marketing Board was. In Ontario there are cheese auctions, mainly at Belleville and Stratford, and cheese from

factories is technically boarded through those auctions. These auctions were formerly run by the Ontario Cheese Producers' Marketing Board. They are now run by the Ontario Milk Marketing Board.

Mr. Peters: Yes, I agree, but I was referring to the aggressive program that the Cheese Producers' Marketing Board was conducting in England and in several other countries, which does not seem to be duplicated.

Dr. Barry: It was primarily in England, and the Ontario Milk Marketing Board is still exporting cheese to Britain and has taken over the function of the Cheese Producers' Marketing Board in that respect as well.

• 1050

Mr. Peters: Yes, but it is not selling it. It is not going out to sell in the same way.

Dr. Barry: The volume is holding fairly constant, Mr. Peters, year in and year out.

Mr. Peters: I realize this, but we were not interested in constant marketing; we were increasing quite substantially every year.

Dr. Barry: The Committee will be interested to know, I am sure, that this question of dairy product surpluses is a very serious one across the world. The British, now, are very seriously concerned over the volume of cheese imports into that country.

Mr. Peters: We are concerned about the cheese imports into this country.

Dr. Barry: That is right. I think it would be wrong under present circumstances to suggest that there is a limitless market for Canadian cheese in the United Kingdom. In fact, you know, there is some feeling that any market reaches a point where the cost of maintaining it becomes questionable. It is costing us a lot to maintain our cheese market in the United Kingdom at the present time.

To answer your question specifically, Mr. Peters, at the moment we have not visualized our getting into the actual control and marketing of all milk and dairy products, say, in the sense that the Wheat Board is with respect to wheat in western Canada.

Mr. Peters: That is a good example, Mr. Chairman, because that is the kind of marketing I was referring to. Just in my own area we had a cheese factory go into business with assistance from ARDA and from provincial agencies, and because of the price—and

certainly the manufacturing operation margin is minimal, probably not more than a cent to play with on manufacturing cheese taking into consideration the by-products—increased production of skim milk powder has resulted adjacent to casein and butter.

The Board is going to get stuck with the marketing of skim milk powder and I think you said we are subsidizing it to the extent of 20 cents, while on the market we are now getting a price of something like 7 cents. The more production that goes into skim milk the worse off we get. If the Board could direct it into a line of production so that we would have a few million pounds of butter this would...

Dr. Barry: Of course, if you get skim milk powder, you get it because you are making butter from the fat of the milk.

Mr. Peters: Or casein or...

Dr. Barry: Yes, but I mean when we speak in terms of skim milk powder the fat portion of that milk has gone primarily into butter; not entirely, it might go into ice cream, but basically it goes into butter.

On this matter of achieving a proper balance, mind you, in supporting the cheese market this year we have had to buy 7 million pounds of cheese that has been surplus.

The Chairman: Gentlemen, I still have some eight questioners on my list. I do not want to cut anyone short, but I do want to give fair recognition to all members. If you are satisfied Mr. Peters, I would like to recognize Mr. Lind. I ask you to be as concise and precise in your questioning as possible.

Mr. Lind: Thank you, Mr. Chairman. Dr. Barry, going back to the quotas, do the quotas go with the herd or the farm, or how do they handle the quotas now?

Dr. Barry: Mr. Lind, last year we said that we would accept applications for reallocation of quota to a person who bought the farm, or herd, of a quota holder. This year we have changed this and it goes with the herd. Now, I say "go" but it does not go automatically.

Mr. Lind: The whole quota?

Dr. Barry: If the herd is split between two buyers, then we will split the quota between those two buyers in relation to the percentage of the herd each has bought.

Mr. Lind: What about a son who is starting up off his father's farm, with a different set-

up entirely and independent? Would we have to take part of the quota of the father with him?

Dr. Barry: The father can apply to us to reallocate part of his quota to his son.

Mr. Lind: Is that the only way the son can get a quota?

Dr. Barry: The only way any newcomer can get a quota is by getting some quota from a person who now holds it.

Mr. Lind: Are these quotas being sold in industrial quotas now?

• 1055

Dr. Barry: We say that our quotas are not negotiable and this has been quite a contentious thing within the industry. There are some who feel that the simplest way to operate the quota system is to let people buy and sell them, rather than tying them up with the necessity of buying a herd in order to get a quota.

To the moment we have not agreed with this and, of course, it is a different procedure than exists in the fluid field where people can buy and sell quotas. Our position has been that the right to receive government money cannot be bought and sold by an individual.

Mr. Moore (Wetaskiwin): I have a supplementary on that, Dr. Barry. I am sorry, you were not finished.

Dr. Barry: Having said this is our policy, the only way a person can get a reallocation of quota is to buy a herd and apply to us to have the quota reallocated to him. I would not want to guarantee that in every instance there is not, by one device or other, some financial consideration attached to that; I do not know.

Certainly, the whole basis of reallocation is to permit a normal transition within the industry. Dairy farmers leave dairying and leave farming and somebody else buys their property and their operation and basically the concept of reallocation is to permit that. Obviously, a herd or a property that has a quota attached to it would be worth more than one that does not; this sort of thing enters into it, but where we have known that a direct financial consideration has entered into a transaction we have refused to authorize it.

Mr. Lind: I have one more brief question. What is the limit of the quota that you supply to any one herd?

Dr. Barry: There is no limit per se. When we established the quota system in 1967-68, we gave everyone a quota for his 1966-67 production regardless of what that was. In the reallocation of quotas, we would not reallocate quotas to one individual to bring his total quota to over 300,000 pounds of milk, except in the case of partnerships or two operators on the farm. In the reallocation of quotas, we do not reallocate quotas to a newcomer for less than 100,000 pounds of milk—3,500 pounds of butterfat.

The Chairman: Are you satisfied, Mr. Lind?

Mr. Lind: Yes.

The Chairman: I will recognize Mr. Moore for a brief supplementary.

Mr. Moore (Wetaskiwin): On this same question, suppose a dairyman purchased a herd and applied for reallocation of quota, would he not be ridiculous or foolish to do so unless he knew he was going to get the quota? He could not operate otherwise. Can he make application before the deal goes through?

Dr. Barry: Well, in fact we like to see them do this because then they know where they stand.

Mr. Moore (Wetaskiwin): Yes.

Dr. Barry: We get many people saying to us, "We did this on the understanding that we could get a quota now we have done it so you have to give us a quota".

Mr. Moore (Wetaskiwin): That is right; it should be ratified first, then.

Dr. Barry: Ideally, this is what they should do, Mr. Moore.

The Chairman: Thank you. I will recognize Mr. Foster, Algoma.

Mr. Foster: Dr. Barry, you said that anyone can get a fluid quota in Ontario now. It seems to me that in Northern Ontario these are still selling for \$1,000 per can on this basis. Has there been some change recently where a person can actually go into the fluid market in Ontario without getting someone else's quota?

Dr. Barry: The arrangement that the Ontario Milk Marketing Board has, and it started this year, is that any milk shipper who does not now have a fluid milk quota and who qualifies on the basis of farm pro-

mises and this type thing and milk quality, can enter the fluid market and get a fluid quota. This opens up on September 1 every year. Each year on September 1 people who want to come into the fluid pool can do so, subject to their qualifying. Now, in addition, of course, the provision for the purchase and sale of quota still exists; a man can come in by buying a quota if he wishes to, or enlarge his present quota by buying one.

Mr. Foster: Yes. My next question concerns this skim milk powder which is sold for five cents a pound. Who was this sold to? Was it sold to government or to private people, and in what country? What did this skim milk powder cost the government? How many pounds did they buy and what was the market price at the time they sold it at 5 cents a pound?

• 1100

Dr. Barry: Last year—and when I say "year" I refer to the year from April 1 to March 31; these are operating years—we bought under our price support for skim milk powder 101 million pounds. During the year we sold 2 million of that and we went into this year with a carryover of 99 million pounds. Now, bear in mind that any powder exported could come from our stocks or it could come from trade stocks. If it comes from trade stocks we apply a subsidy to it; if it comes from our stocks it is the same thing, in effect, because we sell it in situ.

Last year, while we sold only 2 million pounds of our powder, total exports were 95 million. This year we estimate we will purchase about 180 million pounds of powder. Therefore, our purchases this year plus our carryover from last year will give us total stocks this year to dispose of some 279 million pounds, of which to date we have commitments for the sale of 164 million, leaving 115 million pounds of our estimated total stocks for this year still to be disposed of.

The loss in that, whether a loss on our sales or a loss by our providing export assistance to privately exported stocks, is taken from what we call our export equalization fund, and the assets to that export equalization fund come from our whole bank of subsidy payments to producers.

Mr. Foster: From this 15 cents a hundred holdback?

Dr. Barry: Yes, which is now 21.

Mr. Foster: Oh, it is 21 now?

Dr. Barry: We raised it to 21, yes, plus cheese, plus other things, you know, as well.

Mr. Foster: What does this skim milk powder that we sell at 5 cents a pound overseas, or wherever we sell it cost us?

Dr. Barry: It cost us 20 cents.

Mr. Foster: Oh, I see.

Dr. Barry: That is our support price.

Mr. Foster: And we sell it for five?

Dr. Barry: Well, we sell it for the best we can get for it.

Mr. Foster: Yes. Where is this mostly sold?

Dr. Barry: In Europe and the southern hemisphere.

Mr. Foster: Is it sold to government agencies or is it sold privately?

Dr. Barry: Primarily to private operators. Some is sold for food aid. This year probably we will sell some 5 million pounds in food aid.

Mr. Foster: Is this sold to our External Aid Office?

Dr. Barry: The food aid that is handled by the External Aid Office, whether for bilateral food aid or for multilateral, is through the world food program.

Mr. Foster: The total amount of subsidy, you say, in 1968 was 125 million. In their estimates this morning we see \$303,000.

Dr. Barry: No, that is separate. The \$303,000 estimate item specifically for the Canadian Dairy Commission is our operating expenses, salaries, expenses, office operation and this kind of thing.

Mr. Foster: What does the administration of this \$125 million cost?

Dr. Barry: It costs \$303,000, plus all our buying operations and everything else. That is the cost of our office operations, salaries, expenses and so forth. The \$303,000 is just our administrative vote.

Mr. Foster: Where does this estimate of \$125 million show up?

Dr. Barry: In the Stabilization Board vote.

Mr. Foster: I see.

Dr. Barry: The funds come to us through the Stabilization Board vote.

The Chairman: Thank you, Mr. Foster. I recognize Mr. Lambert.

[Interpretation]

Mr. Lambert (Bellechasse): Mr. Chairman, my first question is directed to you personally. Would it be possible to have the French text of our proceedings a little earlier?

• 1105

[English]

The Chairman: We are doing all within our power to see to it that the French Debates are made available as quickly as possible, but much of it is behind our control and out of our hands. We are doing all within our power to see that they are made available as soon as possible. Does that answer your question?

[Interpretation]

Mr. Lambert (Bellechasse): Yes, thank you. Now I have five brief questions—I would not like to hold up the proceedings but we are trying to find ways to improve the position of agriculture and milk producers. My first question is as follows. Could the Commission tell us what is the present average price paid to producers of industrial milk? What does the producer get per hundred-weight?

[English]

The Chairman: Do you want to ask your questions separately, or do you want to ask them all and then—

[Interpretation]

Mr. Lambert (Bellechasse): Yes, separately.

[English]

Dr. Barry: This varies a great deal, of course, according to provinces. I presume that you are interested in Quebec primarily?

[Interpretation]

Mr. Lambert (Bellechasse): Yes.

[English]

Dr. Barry: In Quebec, up to September 15 this year the generally prevailing price was \$3.50 per hundred for bulk milk—that is milk from bulk tanks—and \$3.40 a hundred for what the trade calls canned milk, because it is delivered in cans. As of September 15 the general price—and again I emphasize “general”, because this is the price generally prevailing in the main milk area—was \$3.65 for bulk milk and \$3.55 for canned milk.

My prices are all in terms of cents per hundred pounds of milk tested at 3.5 per cent butterfat. The Quebec Marketing Board has issued an order as of November 15 that the winter price is to be \$3.85 for bulk milk and \$3.70 for canned milk.

[Interpretation]

Mr. Lambert (Bellechasse): My second question, Mr. Chairman—perhaps you said it before I came but I will still ask my question—can the Commission take into account the production costs when it sets the subsidy amount we pay to the milk producers of industrial milk, for a given dairy year.

[English]

Dr. Barry: This point was discussed briefly earlier and I made the observation that to arrive at an average cost of milk production is almost impossible because of the circumstances of different dairy farms. Basically the decision on the basic support price is a government rather than a Commission responsibility, because the government provides the funds which make the price.

Basically it is an assessment of what is felt is required and what can be afforded, I suppose. For the information of the Committee may I just note this: this year the gross support price in Canada is calculated to be \$4.85, that is \$3.54 for the market with a calculation, plus \$1.31. Now, it does not come to that much net, because quotas and holdbacks, and so forth, come in.

In the United States the only support given to the dairy industry is through the support of product prices. There is no subsidy and the present prevailing price in States like Wisconsin and Minnesota is around \$4.15 to \$4.20 per hundred pounds which may be an indication of the relative degree of efficiency in the industry between the two areas of Canada and the United States.

Mr. Danforth: These are net?

Dr. Barry: These are delivered prices to the factory. When we calculate, Mr. Danforth, we speak in terms of delivered prices at the factory, because of the variance in haulage costs, you know.

The Chairman: Mr. Lambert?

[Interpretation]

Mr. Lambert (Bellechasse): But, Mr. Chairman, the price you just indicated does not tell us whether those producers are satisfied or

not. At any event, does the Commission—it may be a rather blunt question, which you can answer if you wish—does the Commission consider that the price you just mentioned for Canadian producers, as a profitable price which can give the operator an income which is sufficient for him to have a decent standard of living compared to others?

• 1110

[English]

Dr. Barry: Excuse me for a moment, I am just trying to find the Act. I do not think I have a copy. In any event, the Act says that our objective shall be to provide a satisfactory price for efficient producers. As a personal observation, and not as a government observation, I would like to say that I think the existing price is satisfactory to efficient producers.

The Chairman: Do you have another question, Mr. Lambert?

[Interpretation]

Mr. Lambert (Bellechasse): Yes, another question. When the government or the Commission decides to raise the minimum price of butter by two cents how many cents per hundredweight or hundred pounds of milk does this represent?

[English]

Dr. Barry: Eight cents.

[Interpretation]

Mr. Lambert (Bellechasse): Does the producer get these eight cents at the same time as the consumer pays the increase in price?

[English]

Dr. Barry: This depends entirely on the pricing mechanism within the market, over which we have no jurisdiction. A moment ago I gave you the Quebec milk prices, where there was this increase on September 15. Our price of butter was raised by two cents on September 30. In Ontario the minimum price for industrial milk is set by the Ontario Milk Marketing Board at \$3.54. That has been the price all year, it has not changed.

Generally speaking, cream prices in the Maritimes, Western Canada and in Quebec to some extent, have gone up by the equivalent of the increase in butter prices.

[Interpretation]

Mr. Lambert (Bellechasse): I was making this comment, Mr. Chairman, because this is

the second time that there has been an increase in butter prices in the last few years and the last time the producers did not benefit from that increase, although the consumer was paying more. We have had discussions with the Commission, the federal government and the provincial governments and each tried to pass the buck to the other. Neither were responsible for this but still the consumer was paying more and the producer was getting the old price.

This is why I was asking the question. I appreciate that it is difficult for the Board to keep track of the different prices down to the level of the producer if there is no way at the moment it should be the task of the Committee to find a way to ensure that the producer, when there is an increase in price, that the producer gets as much of the benefit as possible.

[English]

Dr. Barry: Sir, if there has been this buck-passing between the federal and provincial governments as to who has jurisdiction here I can only express my view, which is that jurisdiction on a matter of price within a province falls within the area of property and civil rights and it is purely within provincial jurisdiction. We can set up mechanisms, we can establish floor prices which are designed to yield certain prices in terms of milk, but federally we cannot demand that those prices be paid.

[Interpretation]

Mr. Lambert (Bellechasse): Even for industrial milk.

[English]

Dr. Barry: Yes, sir.

[Interpretation]

Mr. Lambert (Bellechasse): Thank you.

[English]

The Chairman: Thank you, Mr. Lambert. I now recognize Mr. Southam (Qu'Appelle-Moose Mountain).

Mr. Southam: Thank you, Mr. Chairman, I will only occupy a brief part of the Committee's time this morning because a number of the questions that were of interest to me have already been discussed and answered.

However, I will go back to the area of general consultation, and this was referred to a moment ago by a former member of the

Committee. Dr. Barry, in the consultations that go on in arriving at the policies to provide equitable prices for both the fluid and industrial milk shippers—or two of them—what machinery or liaison is set up, if any between the federal agricultural authorities and the provincial agricultural authorities with a view to resolving or arriving at the best solution to these numerous problems affecting the dairy industry.

I am thinking of the discussion that went on in the Committee several years ago when this particular facet was elaborated upon to some extent because of the complexity of the wide regional areas of Canada. Is this still going on? Is there still a fairly close liaison? What are the results of this matter that your Commission has been considering?

• 1115

Dr. Barry: With respect to the question of price, Mr. Southam, of course the fluid price is set entirely by provincial agencies. The discussions between ourselves and the provincial authorities are not so much into the matter of price, our discussions are based more with the industry than with the provincial authorities. The provincial authorities may have views with respect to the impact of details of our policy in their provinces, and this kind of thing, but no so much with respect to price negotiations with the provinces.

Mr. Southam: Of course, the reason I bring up the question, Mr. Chairman, is because of what certainly appear to be disparities in the minds of producers in various sectors of Canada. You get letters from various areas. As a Western member I might get a letter from a farmer in Eastern Canada, or something, and I am not in a position, as I say, to answer some of these because of the fact of the wide regional areas, and so on, and the problems of the producers in those areas. But I would think that if possible closer liaison should be developed between the Department officials at the federal level and the provincial level. I believe that continuous consultation should be going on in order that you, as the head of the Canadian Dairy Commission, are kept advised. Is this possible or is it just too cumbersome?

Dr. Barry: I think, Mr. Southam, that we do have fairly close liaison with provincial officials on the implications and operations of details of our program.

Take this quota matter as an example. There are some areas of the country which

feel that our present quota arrangements are discriminatory to them. Certainly provincial officials have raised these matters with us. I was referring more specifically to the matter of price negotiation, which we do not do directly with the provinces.

Mr. Southam: To bring the matter closer to home, and with reference to my earlier remark that several years ago we were discussing this at some length, I was thinking of the particular area of the cheese producers and cheese manufacturers, and the difference in the qualities of cheese that might have existed in certain areas of Quebec and Ontario and the share of the market that they were getting, and so on. This interests me very much because I feel that it is in the interests of the agricultural industry as a whole—not a specific area such as a provincial area—to get uniform standards, uniform markets, and so on, so that...

Dr. Barry: This does apply in this area. Quality standards are uniform. As a matter of fact, they are basically federal and all our support prices are based on first grade quality, which is uniform across the country.

Mr. Southam: Following along this line of thought, in trying to resolve the problems that we have within our dairy industry in Canada, do you as head of the Canadian Dairy Commission, or other authorities in Canada, have liaison with officials in the United States, New Zealand, Denmark and other dairy producing countries, to keep abreast of the development in the industry, and so on?

Dr. Barry: I think pretty reasonably so, sir, yes.

Mr. Southam: There has been very little discussion this morning on the matter of milk and dairy substitutes. Of course, in this country and in other countries as well we are plagued with overproduction in many areas of the dairy industry, and we now find this matter of substitutes entering into the field. What research is being developed or what is going on in the Department with respect to this whole matter and the problems it might create in the dairy industry in Canada?

Dr. Barry: In the area of substitutes, of course, the prime example in dairy products is margarine versus butter. There is also some fairly significant substitution of synthetic creams for cream. The present discussion and concern about substitutes has had to do

primarily with what is called filled milk, which is made from nonfat milk solids, skim milk, with the fat portion consisting of vegetable fats. This is being used to some extent in the United States. In fact, there are countries where it is used quite substantially. In Mexico and the Philippines, where they are deficient in milk, they will use skim milk solids, milk powder, and blend it with a vegetable fat to make milk. This is also being done in some states. It has aroused a great deal of concern. The use seems to be levelling off in those states now at about—is it about 10 per cent or 5 per cent of the total now?

Mr. Atkinson: I think Arizona is the highest with about 10 per cent, but over the federal markets in the United States it is less than 2 per cent.

Dr. Barry: Yes. In all provinces at the moment I think the use of filled milk is illegal. Is this not right?

Mr. Atkinson: Yes.

Dr. Barry: So it is a question of there being some pressures from commercial interests to legalize it. I can only say, Mr. Southam, that it is a matter of present consideration, research, discussion and this kind of thing as to what might eventually materialize.

• 1120

The earlier very considerable discussion on it seems to be tempering a little bit now.

Mr. Southam: In other words, there is research going on in this field?

Dr. Barry: Yes.

Mr. Southam: And you would say that the percentage then, as far as the Canadian market is concerned, is very very small?

Dr. Barry: At the moment there is none on the Canadian market because it is not allowed.

Mr. Southam: What about cream and milk substitutes?

Dr. Barry: These are allowed, yes. Cream substitutes and the margarine, of course.

Mr. Southam: I presume that the Department of National Health and Welfare is looking after the consumers as far as the safety factor and the food value in these things are concerned?

Dr. Barry: Yes sir, but that would come under Food and Drug.

There is also, of course, a suggestion for a purely synthetic milk which would have no dairy product at all, and Food and Drug I think have taken the position that this cannot be sold as a milk substitute unless it has equivalent nutritive value.

Mr. Southam: What is the attitude of the Canadian Dairy Commission and the federal authorities on this whole matter? Are they going into research with the idea of encouraging the dairy industry in Canada to get involved and to compete with, say, the United States or other countries that are involved in this, or are they taking the other attitude that of being against this whole intrusion into the dairy industry here in Canada?

Dr. Barry: It would not be in competition with the United States because these products are all consumed within the country—they are purely domestic products. I think, apart from the feeling of the Commission, that the position generally of the dairy industry is that having fought margarine and having fought a losing battle—and in the course of doing so having given a lot of publicity to it—they probably do not want a repetition. However, I think basically on the producers side there is concern whether it is desirable to have a substitute milk. If this filled milk were to become a very substantial thing of course it would add very considerably to our problem on butterfat surplus, as you know.

I cannot at the moment, Mr. Southam, say what may be the outcome. I only know—and this is a point which is disregarded often—in so far as having a filled milk is concerned, that if the argument for it is to get away from the cholesterol factor in butterfat the vegetable fat which is almost completely used for filled milks has as high a cholesterol factor as butterfat does.

Mr. Southam: In other words, Dr. Barry, this should be a matter of concern and continuing study both by this Committee and the Department concerned.

Dr. Barry: We and the Department are continuing to have discussions with the provinces and the industries because they are involved equally with us in this.

Mr. Southam: Thank you, Dr. Barry.

The Chairman: Thank you, Mr. Southam. I now have on my list Mr. Mazankowski, Mr. Code, Mr. Gleave, Mr. Danforth. I understand that Mr. Mazankowski had to leave and that Mr. Moore will put his question. Do I have

the permission of the Committee to allow Mr. Moore to put Mr. Mazankowski's question at this time?

Some hon. Members: Agreed.

Mr. Moore (Wetaskiwin): Thank you, Mr. Chairman. There seemed to be several occasions in this last dairy year when, for a number of reasons, producers failed to complete their application for quota within the required time and this disqualified them from having a subsidy quota. Will any consideration be given to these producers in the next dairy year?

• 1125

Dr. Barry: You have touched upon a rather touchy subject with us, Mr. Moore. We sent applications to all those who were what we called 1,750 pound quota holders last year—that is, everyone who produced less than 1,750 pounds in 1966-1967 was given a quota for that amount in 1967-1968. There were some 97,000 of them. We sent them applications and advised them that if they wished to be considered for a subsidy quota for this year they were to return these applications. Indeed, at the moment, we are thinking that we will do this universally for the coming year because from the operation of our program we have no way of knowing whether people are or are not continuing in dairying. They may ship for half a year and we have no further record, we do not know whether they are seasonal, have gone out of business or what has happened.

As I said, we sent out some 97,000 of these. There were probably some 8,000 people who, technically, were eligible because they shipped over 420 pounds from whom we did not receive returns. Also, all of these got the phasing out payment. They are not prejudiced as far as the present year is concerned because the phasing out payment was for the full amount for which they would have been entitled to subsidy in this year in any event.

We get two main arguments as to why we should not have excluded them; one is that they did not receive the application and the other is that they did in fact return it and that we missed it. We only know that the applications went to precisely the same names and addresses as all their subsidy cheques and their phasing out payments went. Quite frankly, we are not prepared to accept categorically the assumption that they did not get the application form. In fact, we have had

different people say to us, "Yes we got it but, you know, it was just another piece of government mail so we just threw it away." This was in spite of the fact that we tried our best to make it clear that they had to return them.

With respect to those who said they did return them, we have checked through and in some cases—and even indeed in some cases where people said they did not return them but there appeared to have been a very legitimate human reason for it—we have put them on our list for consideration for quota for next year. This number is not great. This issue with respect to these people is fluid at the moment. You see, our problem is that our heart becomes involved in this as well as our head. I think this coming year we will have to send everybody a form to reapply for subsidy quota.

If the public at large gets the impression that we do not mean what we say when we send them things, then how do you administer a policy?

Mr. Moore (Wetaskiwin): You mean in this case you will give them one more chance?

Dr. Barry: If you give them one more chance then next year they will want one more chance. That is the difficulty.

Mr. Moore (Wetaskiwin): But you do intend them maybe to give them one more chance.

Dr. Barry: No, I would not say this at the moment, Mr. Moore. I am simply remarking that it is a contentious issue at the moment.

Mr. Moore (Wetaskiwin): Yes, but there is a possibility I suppose.

Dr. Barry: I would put it in the sense of a possibility rather than a probability.

Mr. Moore (Wetaskiwin): Yes.

The Chairman: Mr. Lambert?

[Interpretation]

Mr. Lambert (Bellechasse): A supplementary question, Mr. Chairman.

The Chairman: Mr. Lambert?

Mr. Lambert (Bellechasse): The letters you send to the producers, I understand that the Board does its best to ensure they are clear, but many producers cannot completely understand the meaning of the contents of these letters. They are confused. So, they write to their member of Parliament; the member of Parliament approaches the Board

and we do not get an answer each time. Please understand me. This is not a criticism, you may have reasons for not answering but we would be happy to have an answer so that we could forward it to those who write to us and that would help in solving the problem.

[English]

Dr. Barry: Well sir, if you have written to us and if we have not answered I can only apologize. If that is the case, if you would be so good as to call it to our attention we will try and get it attended to. We are relatively small staffed, we have had a very substantial flood of mail on this point, on the phasing out payments and this kind of thing and sometimes there are delays in attending to correspondence. I can only say that we try our best to deal with it.

But just in defence a bit of our position, this is the application form that went out. We struggled over this to try and make sure that it was understandable. It was in English on one side and in French on the reverse. It says at the top:

URGENT: In your own interest, THIS MUST BE RETURNED BY YOU BY April 8, 1968.

Then it says in big type.

IF YOU WISH TO BE CONSIDERED FOR A FEDERAL DAIRY SUBSIDY QUOTA IN THE YEAR BEGINNING APRIL 1, 1968 YOU MUST COMPLETE THIS APPLICATION

...and return it to us. But I realize that people get so much government mail that they may disregard some of it.

• 1130

The Chairman: Thank you, Mr. Lambert. I recognize Mr. Code (Leeds).

Mr. Code: You mentioned cheesemakers being discouraged about manufacturing cheese during the winter months. I know that the cheesemakers in Western Quebec and Eastern Ontario are quite concerned. They have great difficulties carrying on over these four winter months. I just wondered if any consideration has been given to helping them out in any way?

Dr. Barry: Not from our standpoint, no. They are asking that we allow a diversion payment. There has been some request that we allow a diversion payment to divert milk to other outlets. This was done in Ontario by

the Ontario Milk Marketing Board in the previous two years. We cannot do this in one province. If we do this, we must do it nationally.

In the Province of Quebec, the cheese plants, to the best of my knowledge, have all made arrangements privately to put their milk, during the winter months, to other use beyond that required—cheese for which they have sale. If we were to institute a policy, nationally, of paying a divergent program for milk from cheese factories, I am afraid we would be doing something that was quite needless outside of Ontario. Also we know of cases where plants have gone to cheese factories who wanted to get their milk during the winter months and who have offered what I would think would be a reasonable price for the milk. I know of two cases where they have not been able to get any cheese factories to line up with them.

Mr. Code: One cheesemaker I know of tells me he delivers the milk in the winter time; he takes it from his suppliers and delivers it six miles into the nearest town. He pays as much for the milk as he gets when he delivers it to the dairy. That was what he was concerned about. It means he is operating at a loss just to keep the cheese factory going.

You mentioned Quebec. How do they do down there? How do they get around it?

Dr. Barry: With the exception of one area, the great bulk of the cheese made in Quebec is made in plants which can use the milk for other purposes. In the one area where there are specialized cheese factories, they have made arrangements to put the surplus milk for which do they do not have an immediate market, into a plant which can use it for other purposes.

The Chairman: I recognize Mr. Gleave (Saskatoon-Biggar).

Mr. Gleave: What if a cream shipper is under quota, on what percentage of his production is he paid the subsidy?

Dr. Barry: The cream shipper in this regard is treated similarly to the milk shipper. Whether he is a cream shipper or a milk shipper, if last year he delivered more than his last year's quota, he has a quota for this year for the amount of his last year's deliveries. If last year he delivered less than his quota, he has a quota this year for the amount of his last year's quota.

With respect to cream shippers, I must put in one caveat, that last year—and this applies to milk shippers as well, it is a volume matter—last year, as I said earlier, all those who, in 1966-67 had delivered less than 1,750 pounds of butter fat or 50,000 pounds of milk, were given an open quota of 50,000 pounds. This year, those in this category—those who had those quotas—as long as their deliveries last year were more than 420 pounds—have a subsidy quota for this year for the amount of their last year's deliveries. So that if their deliveries this year do not exceed last year's deliveries, they will have a quota for the full amount of their deliveries. If they exceed last year, then the quota will be short by the amount of the excess.

● 1135

Mr. Gleave: Well, this man's yearly quota, at least as he gave it to me, was for 2,280 pounds. On a delivery of 282 pounds of butter fat he received a quota base of only 114 pounds.

Dr. Barry: What he may be confusing here, Mr. Gleave, is this, that we divide our annual quota into monthly quotas. When we went into this business, we had to make a basic decision whether to pay a man for his deliveries up to his quota and then cut him off, or whether it was desirable to continue paying him during the year. We felt the latter was desirable so we give them monthly quotas. If during the year he is not paid for his full annual quota entitlement under his monthly quotas, then we make out adjustment payments at the end of the year. So if this man mentions 114, I would think he is referring to a monthly quota.

Mr. Gleave: That is right. In the third month of 1968.

Dr. Barry: The third month of 1968 would be March, which would be five per cent of the annual quota, and that is about right if it is 2,280, it would have been 114 for the month of March.

Mr. Gleave: Then at the end of the year he will be balanced up?

Dr. Barry: That is right.

Mr. Gleave: And, again, as he is balanced up, on what percentage of his total deliveries...?

Dr. Barry: Up to his quota. Up to his total annual quota. You see, his annual quota was 2,280.

Mr. Gleave: Yes.

Dr. Barry: Then his quota for March would have been five per cent which would have been 114. Now, if during the year, he had delivered 2,280 pounds but had been paid for only 2,000, he would have received a yearly adjustment payment for the remaining 280. If he had delivered 285, he would have received it only for the 280. It is just up to his quota.

Mr. Gleave: I see.

The Chairman: Have you concluded your questions?

Mr. Gleave: Yes, that is what I wanted to know. It occurred to me that in Saskatchewan you said there was quite a drop of production in cream owing to easy selling of wheat. I wondered if it was due to the subsidy and the way it was paid?

Dr. Barry: Well, until this year there has been no restriction as far as the cream shippers are concerned. I mean the smaller cream shippers.

The Chairman: I recognize Mr. Danforth, Kent-Essex.

Mr. Danforth: Mr. Chairman, I have a few questions. They are based more or less on the information we have been given. The first one deals with the allocation of quotas. Dr. Barry has stated that in the exchange of herds and through other measures the Canadian Dairy Commission has the direct allocation of quotas. When there is the changing and disposal of herds, an application for new quotas, does the Commission retain any part of the quotas as a basis for increasing quotas in the next year?

Dr. Barry: No sir. If a man who has a quota sells his herd to another person who takes over his business, then we will re-allocate that full quota to the buyer. If the man who has a quota goes out of dairying and just disposes of his operation, sells his cows at market or something, then that gives us a free quota which we can use for next year. But where there is a specific transaction and an application for a re-allocation of quotas, we re-allocate the full amount.

There are so many considerations here. For instance, if the buyer now has a quota in his own name of 200,000 pounds, and if the seller had a quota of 200,000 pounds, then the maximum we re-allocate is 100,000 pounds, so in this case we save 100,000 pounds.

Mr. Danforth: You indicated that the ideal transaction is an application from a person desiring to buy a herd before the actual transaction takes place. What would be the normal time lag between the application, the consideration and the rendering of a decision in such a procedure?

• 1140

Dr. Barry: The reason that I say it is desirable for a person to enquire from us in advance is that we have, a you know, a minimum amount quota which would be reallocated to a newcomer. We have a maximum which we re-allocate to the existing man and it is best, I think, that the man know precisely when he can get.

Mr. Danforth: I appreciate that.

Dr. Barry: If he writes to us and says that he intends to buy so-and-so's herd and asks if he can get it, we will check that man's quota and see how much he can have and let him know. We cannot deal with the application proper until he makes the formal application. If a man wrote to us and said that he was anticipating buying a herd and it was a quota he could have, I would hope within a week or so, not more than two weeks, to be able to tell him yes or no. I do not know what the normal time for processing applications is. Would you say a couple of weeks?

Mr. J. Thibaudeau (Vice-Chairman, Canadian Dairy Commission): To send the application form back takes about eight to ten days.

Dr. Danforth: Fine. Then to change the subject somewhat, Dr. Barry, in your opening remarks you indicate, according to my understanding, that one of the factors dealing with the quotas and the amount of subsidy was tied in directly to the amount of moneys placed at your disposal by the government. Does this have any effect on the amount of quota or is it confined basically to the amount of moneys paid on the quota?

Dr. Barry: It is related, I would think, to the amount of quota, Mr. Danforth. This year when the basic policy was established we knew how much total quota we could issue. We knew how much we were committed to under last year's quotas. We know how much free quota we had and it was that which we used to take care of newcomers last year and to provide increases for those who exceeded their quotas. This is on a volume rather than on a dollar consideration.

Mr. Danforth: The point I am trying to get at, Dr. Barry, is this. I am concerned about actually where we are going; how the quotas are going to be tailored; what is going to be the limiting factor; whether the limiting factor will be domestic consumption or whether it will be the amount of subsidies provided by the government or a combination of both.

Dr. Barry: Can only answer that in relation to past experience.

Mr. Danforth: I can appreciate that.

Dr. Barry: We have made our calculation of the total global amount of milk and cream required to take care of the domestic market and we have been provided with funds to pay subsidy on that at the rate of subsidy decided on.

Mr. Danforth: The question, Dr. Barry, might have been an unfair one although I was not aware of that. Does this come within the realm of government policy?

Dr. Barry: The rate of subsidy comes within the realm of government policy.

Mr. Danforth: The limiting factors on the entire production of milk are based on subsidy and quotas and remuneration to farmers, and the point I am trying to get an answer on, Doctor, is whether the quotas will be increased or decreased; and whether the amounts paid for quotas are limited on a determination by the National Dairy Commission to tailor production to domestic consumption only, or whether they are arrived at directly by the amount of moneys allocated by the government, or a combination of both.

Dr. Barry: They are tailored basically, Mr. Danforth, to provide subsidy on the approximate amount of milk and cream required for the domestic market. The final dollar calculation then is a multiplication of that by the existing rate of subsidy, by the approved rate of subsidy.

• 1145

Mr. Danforth: Thank you. That is fine on that. There are two other matters I would like to deal with. One deals with the quota—and I am sorry I got off that before I finished it up.

I can appreciate from the statements given here this morning that when a minimum is struck by the National Dairy Commission under which no subsidy will be allocated, this does not necessarily mean that the producer

involved will be going out of business. He may find it possible to continue business under the system he is working under. He would almost be in the category, then, as far as receiving quotas and subsidies is concerned, of a man who wishes to enter the business. If he continues to produce and increases his production to a degree where he then can qualify under the terms, or when a newcomer comes into the business and finds an outlet for his milk and can operate successfully for 12 months or 24 months, is there any provision made whereby they may receive further consideration or is it, in effect, the end of the line under existing regulations as far as the Dairy Commission is concerned?

Dr. Barry: Under existing regulations, as I understand them, this year he can only come in by way of re-allocation.

Mr. Danforth: A re-allocation. Does this mean he must purchase an allocation, then?

Dr. Barry: Yes. Well, he purchases the herd, I guess.

Mr. Danforth: May I return to the question that was raised on filled milk and other dairy substitutes. Dr. Barry, you stated, if I understood you correctly, that cream substitutes and margarine are on our market but that it was illegal in all the provinces with regard to these new substitutes that are being approached, and you dealt with filled milk as one of them. Is this a provincial law and does each of the provinces in turn have this regulation against...

Dr. Barry: Yes.

Mr. Danforth: May I ask then, Dr. Barry, about a research program on behalf of Canadians to ascertain whether or not the dairy products we have in excess can be re-constituted in some other form to either obtain a greater domestic consumption or enter the export trade in a greater amount. Is it under the jurisdiction of the National Dairy Council, or is it under the jurisdiction of any other board or commission or perhaps the Department of Agriculture itself?

Perhaps that is not fair unless I give an illustration, Doctor, and my illustration may be the tremendous increase in consumption by the introduction of the so-called soft ice cream, the use of potatoes in potato chips and onions in onion rings and this sort of thing. I understand there was some research done

where butterfat was incorporated into other products to make an almost half butter-half margarine product and where butterfat could be sold at perhaps a lesser price than fully constituted butter with the same return to the producer. Is there a program in which the government is involved to explore these possibilities?

Dr. Barry: I think both private industry and government research organizations are working in this direction, Mr. Danforth. I can give you one illustration of the type of thing you are speaking of. We are now involved in a proposal which I hope will be successful to find out about what we would call a fortified liquid milk which would have additional non-fat solids to improve its nutritional value and hopefully additional vitamins A and D, again to improve its nutritional value. From the standpoint of the consumer it would be a nutritively better product, better even than milk is at the moment because no one in the dairy business should imply that milk is not a good product and would also hopefully help to take care of part of our problem in disposal of non-fat solids. This type of thing is in our thinking all the time but this is one specific illustration that I can tell you is quite well advanced at the moment.

• 1150

The Chairman: The Chair now recognizes Mr. Peters and then a question from Mr. La Salle. Mr. Peters?

Mr. Peters: I would like to ask whether we still have what was nicknamed the "consumer's butter subsidy" program?

Dr. Barry: No.

Mr. Peters: How long did that operate? It was for a very short term.

Dr. Barry: We operated from 1962 to 1965.

Mr. Peters: What was the result of it?

Dr. Barry: The result was to increase the per capita consumption of butter.

Mr. Peters: Was it an expensive proposition?

Dr. Barry: Oh, yes.

Mr. Peters: I mean, not the cost of it but the cost in relation to the benefit. We had an immense surplus of butter, if I remember correctly, in the early '60's.

Dr. Barry: The great bulk of that surplus, of course, was disposed of through export at quite a considerable loss, of course. I do not have the figures on that—I am sorry, Mr. Peters—but basically the support price as far as producers were concerned was continued at 64 cents at that time. The consumer price—it is not exactly the "consumer price" but it is the price in relation to 64 cents—was reduced to start with to 52 cents and worked up gradually to about 59 cents, did it not? This resulted in quite a significant increase in the per capita consumption of butter.

Mr. Peters: I was wondering whether you have considered—and perhaps it is not within your jurisdiction—the possibility of pursuing the same policy with cheese?

Dr. Barry: No.

Mr. Peters: It seems to me that cheese is one of the chief commodities that we can increase greatly in its potential.

Dr. Barry: Of course, we have had a steady increase of cheese consumption.

Mr. Peters: Yes but there are a number of other factors. One is the grocery stores taking advantage of different sales procedures and for other dairy commodities, and I know that in many of the stores I go to the bulk cheese—in 10 pound blocks which are normally bought—as 90 pound blocks used to be bought in the country store—are cut and put into the meat counter and the mark-up is probably 50 per cent when put out in that way. Therefore, there is no relationship to the selling price of cheese, which is approximately 69 cents for mild Canadian cheddar. We are paying 43 cents to the Board and now it will be 41 cent.

Dr. Barry: Forty-seven cents has been our support price.

Mr. Peters: Well, now it is reduced two cents it will be 45.

Dr. Barry: Forty-two; it is reduced five cents.

Mr. Peters: Five cents?

Dr. Barry: Yes.

Mr. Peters: Well, now it is reduced two, be an unreasonable mark-up. We would not allow this in butter, why have we allowed it in cheese?

Dr. Barry: We had no control over the mark-up on butter.

Mr. Peters: What is the factor? Butter sells for about 4 or 5 cents above the Board price? Why does cheese, in many cases, sell for almost double the Board price?

Dr. Barry: Mr. Peters, I cannot answer that.

Mr. Peters: Why do we not look into it? Why do we not have the machinery to do so? It seems to me to be a commodity that has a potential for much greater consumption than butter. It would probably reach a level with butter although you said when we subsidized it we were able to increase the per capita sales to Canadians. Cheese should be more readily expanded and yet the sales procedure that we use obviously puts cheese into a fairly high priced commodity category; yet, we do not pay the farmers and we do not pay the cheese factories that kind of price.

• 1155

Dr. Barry: I suppose this applies to any commodity, Mr. Peters. To the extent that there is a relation between price and use, if the price could be reduced then the use of that product probably would go up so long as it had relationship between price and use. The so-called consumer subsidy on butter was a direct government expenditure to relieve a very serious situation on butter. I suppose it could be argued that the sales of any commodity, whether it be apples or potatoes or anything else, could be increased by a Government contribution toward reducing the cost.

Mr. Peters: Yes, but Dr. Barry, you would agree that where we subsidize a producer in a particular field, it puts the product in a different category than a commodity that is not subsidized, or at least so I would assume. We appear to be very cautious, both provincially and federally, about an increase. From what I heard on the radio this morning, there is an increase in the price of milk by two cents to the consumer in the Province of Quebec. This had a direct relationship to the price that the producer is now being paid and the increase that is being paid in the Province of Quebec. It has been passed on to the extent of two cents a quart. I therefore wonder why we have not done the same with cheese because the disparity in that case is almost 50 per cent.

Dr. Barry: This, of course, implies the entry of government through some agency, federal or provincial—and I expect that this

is a matter, again, of pricing and the setting of prices is provincial rather than federal—directly by some mechanism into the pricing. No, we have not contemplated this with respect to cheese.

Mr. Peters: We have the machinery to do it for milk. You have said that every province has opposed fortified milk. We did to some extent, I think federally, allow the production of margarine which had a direct effect on butter production. I fail to see why in some way we cannot make a recommendation from this Committee for a method of putting cheese into a closer relationship between its production cost and its selling price for the purpose of disposing of cheese which is in surplus supply.

Dr. Barry: I suppose the point about which I am not clear, Mr. Peters, is whether you are suggesting that the government should put money into reducing the cheese price to the consumer.

Mr. Peters: I suggest that we have some kind of control. I do not know just whether it is voluntary or not in milk, butter, ice cream and other dairy products; yet in the case of cheese we seem not to have any control and there is a fabulous mark-up. This is detrimental to the production of cheese because of the consumer demand.

Dr. Barry: I suppose it gets into the area of price controls, does it not, which is a big area?

Mr. Peters: Perhaps that is what we should suggest.

The Chairman: I recognize Mr. LaSalle, (Joliette.)

[Interpretation]

Mr. La Salle: Mr. Chairman, thank you, I do not understand why there are quota limits for milk producers while we learn to our surprise that we have to import millions of pounds of butter. I am wondering if the commission, for the future, could make better projections to avoid these imports and will increase quotas considerably. I think that many producers would be very happy with this.

[English]

• 1200

Dr. Barry: Mr. Chairman, I touched briefly on this matter previously. Our production of butter is almost in balance with our consumption. As of November 1 the total stocks of

butter in Canada were 5 million pounds below a year ago, which is not much more than 1 per cent of our butter production. I would like to assure Committee members that we are not deliberately formulating policy for a deficiency in butter. We are trying to maintain a balance and, as I said earlier, whether fortuitously or as a result of our program, if we can keep butter production within 1 per cent of requirements one way or the other I think we are very fortunate, because if we had a substantial surplus of butter we would be in a very serious situation. Every time the suggestion is made that we may have to bring in a bit of butter to keep supplies in balance, I know the feeling is that this is a very bad thing. I can understand why people would feel this way, but I can only add again that administratively I would prefer it if we had to bring in two or three million pounds of butter to make sure we had enough than to have 10 or 15 million pounds too much that there was no home for in this world. I do not think it is rational to expect anybody, whether they are fortunate enough to be able to do it by their own policies or whether it just works out that way, to be able to do this. I think about a 1 per cent result is not too bad.

[Interpretation]

Mr. Lessard (Lac-Saint-Jean): So, I understand that at any rate the Board wants to avoid any imports? Right?

[English]

Dr. Barry: I do not want to avoid any import. We would like to be in balance. We do not want a surplus of butter. If we have to err on any side we will err on the side of not having quite enough rather than having a surplus, because if we had a surplus of butter and had to dispose of it the cost to the producer who had to dispose of this would be a hell of a lot more than any benefit that might arise from another million pounds of butter made in Canada. We try to balance. If we miss it by 1 per cent I do not think that is too bad. I would much rather miss it by 1 per cent than be over by 5 per cent.

[Interpretation]

Mr. Lessard (Lac-Saint-Jean): This is why I would like to ask my second and last question, Mr. Chairman. We ask and we urge our farmers to enlarge their operations improve in every way and it happens in many cases that the reproduction, the breeding of cattle does result in higher milk yield. So, if a farmer with a given quota increases his yield by

25,000 pounds of milk he loses his subsidy. I am wondering if this is not penalizing a producer for working towards the improvement of his production? Could I urge the Commission to seek a remedy to this situation?

[English]

Dr. Barry: If you will excuse me for putting it this way, sir, I do not accept the statement that a farmer who increased his production last year was penalized for doing so because this year we were able to give people quotas for the amount of their last year's production up to a maximum of 300,000 pounds. What is happening is that gradually we are getting fewer dairy producers and the ones that are remaining are getting bigger. As free quota becomes available to us by people dropping out, we are then able to use it to take care of precisely the thing you have mentioned: to help the people who are trying to build more economic and more viable units. We are able to do it this year and I hope we will be able to do it again next year, but I cannot guarantee until this year's results are in.

[Interpretation]

Mr. Lamberti (Bellechasse): A supplementary question. Mr. Chairman, can this be done, during the current year or does one have to wait till the following year?

[English]

Dr. Barry: We have to wait for next year.

Mr. Peters: May I ask a question supplementary to the previous question? You mentioned you would be bringing in 1 per cent of our butter production. Do you mean the Board brings it in?

Dr. Barry: If there are to be butter imports these will be brought in by the Commission and distributed by the Commission, and any profit accruing in the transaction will accrue to the Commission to be used for the stabilization of the industry.

Mr. Peters: You buy it at the world market rate and sell it at the Board price, is that it?

• 1205

Dr. Barry: We do not buy it entirely on a price basis because we want to be sure of the quality of the butter we are getting as well, but if we were to buy butter we would buy it rather substantially below our support price but we will sell it at our support price.

The Chairman: I recognize Mr. Danforth. I assume you had finished?

Mr. Lambert (Bellechasse): Yes.

Mr. Peters: May I ask an additional question? You do not control cheese when it is brought in?

Dr. Barry: Oh, no.

Mr. Peters: How do you get the power to control butter and not...

Dr. Barry: Because butter is on the import permit control list. It can only be imported under a permit and we ask for a permit to import butter. The only cheese presently on the import permit control is cheddar cheese, and no cheddar cheese is imported into Canada. The cheese imports are the specialty cheeses such as camembert and gouda, and this kind of thing.

Mr. Peters: I realize this.

Dr. Barry: These are commercial cheeses.

Mr. Peters: Why do you not also control them?

Dr. Barry: What would be the point in our controlling them?

Mr. Peters: To develop a Canadian industry in those fields.

Dr. Barry: The cheese industry...

Mr. Peters: We import more cheese than we export.

Dr. Barry: They are actually fairly closely balanced.

Mr. Peters: In dollar value.

Dr. Barry: Basically the cheese industry does not object to the importation of these specialty cheeses as consumer items because the feeling generally among the cheese people is that the availability of this wide range of specialty cheeses has made the public totally more cheese conscious, and this has contributed to the sale of our own cheeses as well.

Mr. Peters: That is true.

The Chairman: Mr. Danforth, Kent-Essex.

Mr. Danforth: I would like to conclude the line of questioning that I was following, Mr. Chairman. In the figures Dr. Barry gave us this morning he illustrated graphically that

the use of milk and milk products per capita was decreasing. Would it be fair to assume that the increase in population would offset the decrease per capita?

Dr. Barry: It is just about doing so. We had the figures of the total milk production which, as I recall them, varied from 18.5 billion pounds about five years ago and then it held at that, then it was at 18.4, and this past year it was 18.3 billion pounds. But to a very considerable extent the increase in population is taking care of some minor decreases in the per capita consumption.

Mr. Danforth: This leads me to my next question. The drop has been from 18.5 to 18.4 and then to 18.3 billion pounds. This is a drop of 200 million pounds of milk production. Is the Canadian Dairy Commission concerned about the downward trend in production? Do you feel that this will continue, hold steady, or can you foresee an increase in the production?

Dr. Barry: I would not think we would foresee much of a decrease, Mr. Danforth. I would think the production now will stay pretty well at about what the market will take, allowing for these surpluses in some areas. In 1964 the total milk consumption was 17.4 billion pounds and in 1967 it was 17.5 billion pounds. That is total consumption, it is not production.

An hon. Member: So that pretty well bears out your assumption that the increase...

Mr. Danforth: I just have one last question, Mr. Chairman. Am I correct in assuming from the information given us this morning that the Canadian Dairy Commission does not forecast or recommend trends, but more or less bases its entire operation on a complete assessment of what is currently taking place and what has taken place.

• 1210

Dr. Barry: I suppose, as a starting point, our philosophy with respect to production is that we should be self-sufficient. There are some variations in the specialty cheeses, and this kind of thing. I suppose within that basic philosophy that we then adjust the details to what has been taking place, such as trends in individual production levels, and this kind of thing. We are faced with a problem here. The producers are not completely happy over the situation where approximately 30 per cent of their income comes from government funds.

They are not completely happy with that kind of a situation. There is a growing feeling that a larger percentage of their total income should come from the market. Now again, to the extent that there is a relationship between market price and total use this may, if this is to be the objective, result in a lesser total use, which would mean an adjustment within the industry itself.

There are some basic philosophies of this type that are very much in the mill—in the thinking, you know, both on our own part and on the part of the industry that have not been completely resolved as of now.

The Chairman: Thank you, Dr. Barry.

Mr. Gleave: I have a very brief supplementary.

If you are aiming in our present dairy policy to meet the scope of the domestic market would it not then be advisable to have filled products and this sort of thing come under the scope of the Board? It is using part of the market and it is aiming for part of it?

Dr. Barry: Of course, if there were filled milks that would make no change in the use of solids milk fat, it would make a change in the use of butterfat to the extent that filled milks replaced standard milks. I suppose to the extent that we are involved in the support of non fat solids that this would have an impact on it. But again, the filled milks would fall into the category of a fluid milk, which is more a matter of provincial jurisdiction.

I do not know whether that answers the question, Mr. Gleave, or whether I have correctly interpreted what the point was you had in mind.

Mr. Gleave: My question very simply was this. The objective of the Board, as it has been presented to this Committee, is to serve the domestic market and to tailor the total product from the farmers in such a way that it is adequate to this market and no surplus to it. Now if this is the case, and other products comes in—filled milk or other substitutes that aim for this same market and neither add nor take away from the supply, should this not come under the operations of the Board? I am not saying it should be excluded or encouraged, but if this is the objective then surely you must be able to control another product coming in?

Dr. Barry: Of course we cannot control the sale of a product within a province, as you know.

The Chairman: Thank you. I will recognize Mr. Clermont.

[*Interpretation*]

Mr. Clermont: It is not a question. I just arrived late because I was in a Committee that was sitting at the same time. I was not present at the beginning, there surely have been questions directed to the members of the Commission regarding quotas? If so, I shall refer myself to the minutes of the Committee to find the information I need. Thank you.

[*English*]

The Chairman: Yes, this question has been considered well and will be in the record.

Gentlemen, we have concluded our questioning. I am sure you would want me to express your appreciation to our witnesses. The witnesses will remain for a short time after the meeting to answer any personal questions you may have. I know you would wish me to express our appreciation to Dr. Barry, Mr. Thibaudeau, Mr. Atkinson, Mr. Mestern and Mr. Blouin for their presence here and for the comprehensive way in which they answered our questions.

Gentlemen, shall Item 55 carry?

Mr. Cobbe: Mr. Chairman, if I may interrupt, there is one answer that I would like to get on the record.

Dr. Barry: It concerned bacteria. If you wish, I will put it on the record now, Mr. Chairman.

Our standards for quality in spray dried skim milk which we offered to buy under price support require a viable bacterial count of 5,000—that is, living bacteria—and a plate count, which includes all dead bacteria, of 300 million.

Mr. Atkinson: That is direct microscopic count.

• 1215

Dr. Barry: I am sorry, direct microscopic count of 300 million. The plate count, which is the living bacteria, calls for a maximum of 5,000 per gram, and the direct microscopic count is 300 million which includes dead bacteria and everything else.

Mr. Peters: We receive many complaints about this count, the way the testing is done, and also about the butterfat count. What control does the Board itself have over the conducting of tests?

Dr. Barry: Well, if you are referring to tests on fluid milk, we have none.

Mr. Peters: No, of the industrial milk.

Dr. Barry: The only standard we have on industrial milk is the food and drug standard.

Mr. Peters: Do your inspectors—

Dr. Barry: No, we have no inspectors.

The Chairman: Thank you. Mr. Lambert?

[Interpretation]

Mr. Lambert (Bellechasse): I am sorry Mr. Chairman, thank you very much, you are very kind to allow me another question.

Mr. Chairman of the Commission, if I am mistaken, please correct me, I shall be glad if you would do so. I understand from your explanations that the main concern of the Board was to attempt to maintain a balance between production and consumption without being too concerned about ensuring a decent profit for the producer. So, the producer has to suffer the jolts of the regulatory mechanism. In other words, in order to prevent an increase in milk on which would exceed the consumption, the Commission does not raise the price at the producer's level. But the same does not apply in labour, even if there is an excess of manpower. Wages do not go down, I am happy about this for the sake of the workers. Those who work are not penalized. How then, in Agriculture, can we ensure that the producer gets his fair reward?

[English]

Dr. Barry: I am sorry but I cannot agree completely with the suggestion, sir, that nothing has been done about improving producer prices. Now I cannot guarantee that the prices I am going to quote are in all cases the actual prices being paid. I will quote in terms of prices to producers for industrial milk which the programs have been designed to achieve.

In 1962 the price paid was \$2.62 per cwt, in 1963 it was \$2.86 per cwt, in 1964 it was \$3.16

per cwt, in 1965 it was \$3.52 per cwt, in 1966 it was \$4.10 per cwt, in 1967 it was \$4.75 per cwt, and in 1968 it was \$4.85 per cwt.

Now it is for that reason, sir, that I cannot accept the assumption that there has been nothing done to improve the position of producers with respect to the price of milk.

The Chairman: Thank you.

[Interpretation]

Mr. Lambert (Bellechasse): Mr. Chairman, I am sorry, I did not mean to say that nothing had been done. I told you that I understood that the main concern, the main duty of the Commission was to set a balance, to maintain a balance.

[English]

Dr. Barry: If I may, our responsibility under our Act is also to provide an adequate price for efficient producers. I regret it if I have left the impression that we are concerned only with supply. We are concerned equally and must be under the Act, with the price. I just made the point that the final determination of price rests not with the Commission but with the government because of the subsidy involved.

[Interpretation]

Mr. Lambert (Bellechasse): Thank you.

[English]

The Chairman: Thank you, Mr. Lambert. Mr. Moore?

Mr. Moore (Wetaskiwin): Is the Commission in any way concerned with advertising products?

• 1220

Dr. Barry: Up to the present time we have not been concerned.

Mr. Moore (Wetaskiwin): But you may be?

Dr. Barry: We may be.

Item 55 agreed to.

The Chairman: Gentlemen, the meeting is adjourned to the call of the Chair.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament
1968

GOVERNMENT
Publications

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

THURSDAY, NOVEMBER 28, 1968

Revised Main Estimates (1968-69) relating to
Canadian Livestock Feed Board.
Farm Credit Corporation.

WITNESSES:

From the Canadian Livestock Feed Board: Dr. R. Perrault, Chairman;
Mr. C. Huffman, Vice-Chairman; Mr. J. M. McDonough, Member;
From the Farm Credit Corporation: Mr. G. Owen, Chairman; *From*
the Department of Agriculture: Mr. W. E. Jarvis, Assistant Deputy
Minister (Production and Marketing).

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (*Lac-St-Jean*)

and Messrs.

Barrett,	Howard (<i>Okanagan</i>	⁵ Ritchie,
² Cadieu (<i>Meadow Lake</i>),	<i>Boundary</i>),	Roy (<i>Laval</i>),
Cobbe,	Korchinski,	Smith (<i>Saint-Jean</i>),
Côté (<i>Richelieu</i>),	Lambert (<i>Bellechasse</i>),	Southam,
¹ Cyr,	Lefebvre,	Stewart (<i>Okanagan-</i>
Douglas,	Lind,	<i>Kootenay</i>),
Foster,	Moore (<i>Wetaskiwin</i>),	Thomson (<i>Battleford-</i>
Gauthier,	³ Muir (<i>Lisgar</i>),	<i>Kindersley</i>),
Cleave,	Peters,	Whicher,
Horner,	Pringle,	Yanakis,
		⁴ Yewchuk—30.

Michael A. Measures,
Clerk of the Committee.

¹ Replaced Mr. Clermont on November 27, 1968.

² Replaced Mr. LaSalle on November 27, 1968.

³ Replaced Mr. Danforth on November 27, 1968.

⁴ Replaced Mr. McCutcheon on November 27, 1968.

⁵ Replaced Mr. Code on November 27, 1968.

ORDER OF REFERENCE

WEDNESDAY, November 27, 1968.

Ordered,—That the names of Messrs. Cyr, Cadieu (*Meadow Lake*), Horner, Muir (*Lisgar*), Yewchuck and Ritchie be substituted for those of Messrs. Clermont, La Salle, Moore (*Wetaskiwin*), Danforth, McCutcheon and Code on the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

(Text)

THURSDAY, November 28, 1968.

(9)

The Standing Committee on Agriculture met at 2.10 p.m. this day. The Chairman, Mr. Beer, presided.

Members present: Messrs. Beer, Cadieu (*Meadow Lake*), Cobbe, Côté (*Richelieu*), Cyr, Douglas, Gleave, Horner, Korchinski, Lambert (*Bellechasse*), Lefebvre, Lessard (*Lac-Saint-Jean*), Lind, Muir (*Lisgar*), Peters, Pringle, Ritchie, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*), Whicher, Yanakis, Yewchuk—(25).

Also present: Mr. Alkenbrack, Hon. Martial Asselin, Messrs. Danforth, Mazankowski, Whelan, Members of Parliament.

In attendance: Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing), Department of Agriculture. *From the Canadian Livestock Feed Board:* Dr. R. Perrault, Chairman; Mr. C. Huffman, Vice-Chairman; Mr. J. M. McDonough, Member. *From the Farm Credit Corporation:* Messrs. G. Owen, Chairman; W. H. Ozard, Vice-Chairman and General Manager, Operations; R. McIntosh, Comptroller, Financial Services Branch; A. H. Harrison, Director, Farm Services Branch; H. D. Carr, Credit Policy Advisor; E. J. Sivy, Executive Assistant to the Chairman.

The Chairman called the following items listed in the Revised Main Estimates for 1968-69, relating to the CANADIAN LIVESTOCK FEED BOARD:

- 60—Administration, Operation and Maintenance\$ 301,800
- 65—Freight Assistance on Western Feed Grains, etc. ...\$21,600,000

The Chairman introduced Mr. Jarvis who, in turn, introduced the Canadian Livestock Feed Board officials.

Dr. Perrault made a statement pertaining to the Canadian Livestock Feed Board, and answered questions. Messrs. Jarvis, Huffman and McDonough also answered questions.

Dr. Perrault undertook to supply the Committee with certain information and documents requested in the course of the meeting.

The Chairman thanked the witnesses for their appearance before the Committee.

Items 60 and 65 were carried.

At 5.00 p.m., the Committee agreed to take a ten-minute recess.

On re-assembling, the Chairman called the following item, relating to the FARM CREDIT CORPORATION:

- 70—Estimated amount required to provide for the operating loss of the Farm Credit Corporation for the fiscal year ending March 31, 1969\$ 6,000,000

The Chairman introduced Mr. Owen who, in turn, introduced the Farm Credit Corporation officials accompanying him.

Mr. Owen made a statement regarding the Farm Credit Corporation, and answered questions.

Copies of the *Annual Report 1967-1968—Farm Credit Corporation* were distributed to the Members of the Committee.

With the questioning of the witness continuing, at 6.05 p.m. the Committee adjourned until 8.00 p.m. this day.

Fernand Despatie,
Acting Clerk of the Committee.

EVENING SITTING (10)

The Standing Committee on Agriculture met at 8.05 p.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Cadieu (*Meadow Lake*), Cobbe, Côté (*Richelieu*), Cyr, Douglas, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), Peters, Pringle, Ritchie, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Thomson (*Battleford-Kindersley*), Whicher, Yanakis—(21).

Also present: Messrs. Downey, Whelan and Bell, M.P.'s.

In attendance: Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing), Department of Agriculture; *and from the Farm Credit Corporation:* same as at the meeting earlier this day.

The Committee resumed consideration of item 70 of the 1968-69 Revised Main Estimates relating to the FARM CREDIT CORPORATION.

The questioning of Mr. Owen continued and having been completed, item 70 was carried.

The Chairman thanked Mr. Owen and the others in attendance.

At 10.02 p.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, November 28, 1968.

• 1410

The Chairman: Gentlemen, please come to order and we can begin our deliberations. Before us today are Items 60 and 65, \$301,800 for Administration, Operation and Maintenance of the Canadian Livestock Feed Board and Item 65, Freight Assistance on Western feed grains, and so on, \$21.6 million.

Gentlemen, we are pleased to have with us the Assistant Deputy Minister, Mr. Jarvis. I will ask Mr. Jarvis to introduce the witnesses, the representatives of the Canadian Livestock Feed Board.

Mr. W. E. Jarvis (Assistant Deputy Minister, Production and Marketing, Department of Agriculture): Mr. Chairman, it is a pleasure to introduce the Chairman, Vice-Chairman and Commissioner and General Manager of the Canadian Livestock Feed Board; Mr. Perrault, in the first instance, Chairman of the Canadian Livestock Feed Board; Mr. Huffman, the Vice-Chairman and Mr. Jim McDonough, the Commissioner and General Manager of the Board.

The Chairman: Thank you, Mr. Jarvis. I believe that Dr. Perrault has a brief statement to make at this time. Dr. Perrault?

Dr. R. Perrault (Chairman, Canadian Livestock Feed Board): Thank you, Mr. Chairman and Committee members.

Last year when we met with the Standing Committee on June 29, the Board had been in operation for barely a few weeks. The headquarters had been opened at Montreal on June 3 so at that time we did not have too much to report because this was an incipient organization. Of course, we reported about our plans at the time of the organization, especially with relation to personnel, and also we mentioned that we had to administer a new measure because there had been a strike at the Halifax elevators and the farmers in the Annapolis Valley were short of supplies so this Board could pay an additional wheat

freight assistance to the farmers of the Annapolis Valley to have some price stability in that region.

I would like to say a few words first about the present organization. So far as recruiting personnel is concerned, we have put the emphasis on knowledgeable people in the field of agriculture, trade and research. Actually, the basic organization consists of four Board members. Two are on a part-time basis; Mr. Huffman, the Vice-Chairman, is one of them and Mr. Woollerton, who could not attend this meeting today because he has been held up by the annual meeting of the Maritime Co-operative Services in Moncton, is the other. There are two permanent full-time members, Mr. McDonough and me, the Chairman.

We have a department of Finance; the recommendation was made to us to hire a director of finance to improve the accounting procedure and to put it on a more scientific basis. We have a director of subsidy programs which is, namely, the feed grain assistance. We have also a specialist in traffic who will report this week, and research. Our total approved establishment is 18 people and actually we have 14 of which 6 are secretaries and clerks, and so on. This is the basic organization to administer the Act.

This Act in many senses is a wide Act. If you look at the powers you will see that we have to negotiate freight rates and provide some technical assistance. There is the allocation of space. There is, of course, the administration of the feed freight assistance and there is continuous research which the Act calls for, so we feel that to deal with the Act in a broad way we would have to have key personnel, reduced personnel but very knowledgeable.

I would like to go back to the objects. I am not going to spell them out, of course, because these things are known to you—the availability at feed supplies, price stability, price equalization, and available storage space.

I will outline briefly some of the activities to meet the objectives of the Act. Of course, these are not in a compartmentalized way. These objects are intermingled in many aspects. If I may refer to the availability of supplies, there is the case of the subsidy which was extended on Ontario corn to the Maritimes at the rate of \$6 less per ton than the prevailing rates from Fort William, Port Arthur down to the Maritimes. That makes Ontario corn available to the Maritime people.

• 1415

Recently we experienced two strikes in succession but despite these strikes, which lasted a few months, feed grains were made available. I will give you more detail about what we did within our power to meet that situation.

With respect to price stability, last year we made the allocation at Quebec City and Halifax. It was made in Halifax again this year. Of course, in the case of Halifax the allocation was made by the feed administration people prior to the establishment of this Board, and the Board held numerous meetings on agreed charges with respect to the Maritimes. In the case of Quebec the four members met with the railways, and the impact of this meeting was that railway agreed charges would provide a ceiling on prices for feed grains.

Long before there was even a likelihood of a strike at the Lakehead the Board members met with the Board of Grain Commissioners at Winnipeg, as well as The Canadian Wheat Board, so that plans could be made for continuous shipment from the Prairies into eastern Canada and that rail movement would be provided in the case of a strike. It was provided during the second strike at the Lakehead and for 10 days after the termination of that strike. So, that brought price stability to the Eastern markets.

We also had some negotiations regarding space at Montreal. As far as equalization is concerned, this comes under the continuous administration of the feed freight assistance. I might mention two examples of this. By making Ontario corn available to the Maritimes, prices were equalized in the Maritimes in comparison with the Montreal region. There were some changes introduced in feed freight assistance in British Columbia on July 1. We brought in further equalization because there

were inequities in certain peripheral regions. I understand there are things that ought to be corrected there. When we met with the farm organizations and the government we mentioned that these were the plans and recommendations, and if there were some adjustments to be made after some months of implementation we would look at the situation again.

With reference to storage space, at the present time we feel there is sufficient storage space. I am speaking about terminal elevators. It is a question of better utilization. We received a few requests to build more elevators and we turned them down, of course, because the present system is more economical than the erection of any new elevators that might be contemplated would be. We had a request from Rimouski, on the lower St. Lawrence, and from Matane, which is not far away from it, and from Fredericton. At Fredericton it was physically impossible to have boats.

I would now like to refer to the duties.

• 1420

[Interpretation]

The Feeds Act states as follows:

"that the Canadian Feed Board shall carry out a study on a continuing basis of grain and feed requirements in Eastern Canada and in British Columbia and the availability of feed grains and additional storage space needs"

which means . . .

[English]

The Chairman: Excuse me for a moment. Is the English translation coming through?

An hon. Member: Mine is.

The Chairman: That is fine. Thank you.

An hon. Member: Do you have a text? It would be very helpful if you had one. I do not know whether you have one or not.

Mr. Perrault: No, I do not have one.

[Interpretation]

Here is the French text of the Act:

The Board shall carry out a study on a continuing basis of feed requirements for Eastern Canada and British Columbia, along with the availability of various feeds and additional storage space needs for these feeds in these regions.

We soon realized, right from the start of operations, that in order to meet the main requirements of the Act, we would need a considerable amount of statistical data. This is why we keep close track on a weekly basis, of stock reports in the various elevators of Eastern Canada and in British Columbia. We also keep track of weekly shipments to or from elevators in the East. Thus, we are able to determine the various shipments on the basis of grain category, such as oats, barley, wheat, maize, etc. . .

Several months ago, we feared that a shortage of facilities might develop in Eastern Canada.

We then asked grain dealers and also shippers to keep us continually informed regarding sales for future delivery. We also encouraged the various millers to place their orders as soon as possible to avoid a feed grain shortage after the close of shipping on the St. Lawrence.

We also have a weekly internal report in which we keep very close track of prices in the main trade centres of British Columbia and all Eastern provinces.

And naturally, we always keep abreast of trade developments.

We have been asked several times whether we have the price of cattle feed. We have been receiving the various prices of cattle feed for the past 4 or 5 months.

We are now sufficiently certain to be able to rely on our own data; in the initial stages, a certain amount of experimenting has to be done. As clearly as this week, the various cattle feed prices of the previous month were sent to the Treasury Board for programming in order to obtain averages, variations, etc. . .

We wish to carry out this operation by regions.

So far, there is no question at our publishing anything whatsoever in the field of prices. During the past year we have had a few complaints regarding cattle feed prices. In most cases, these complaints came from distant areas. In these cases, we noticed that volume was low. That is the reason why the prices differed from those in other areas.

[English]

As far as prices are concerned, if I could take Montreal as an example, in October last year as compared to October this year it shows on the main types of grain that there

has been a somewhat downward trend of prices. We made a survey in June and we related the wholesale prices just before the strike this year with last year, and there was a decrease of about 5 per cent. As a whole, prices behaved very well. Of course, some action was taken in this respect, but there were some factors which were responsible for this other than the action we took. Cheap U.S. corn was one factor. The introduction of agreed charges in Quebec was another factor. This was as far as the winter months were concerned because there were more than ample supplies of stocks at certain places.

• 1425

Another thing which we look at periodically is the cost breakdown of the movement of grain from Fort William to the different terminal elevators. Of course, we consider Fort William as our basic source of supply.

Finally, we have a research program which concentrates on a particular study of the requirements regarding supplies and storage space and the utilization of transportation and storage facilities. Since this Board has been in operation, and in a sense it is still a new Board because we have only been in operation for a year and a half, we have had several consultations with the trade organizations all across Canada. We have met with the trade organizations in B.C., the Grain Exchange in Winnipeg and also with people in Toronto, Montreal and the Maritimes. We have also made quite a few contacts with farm organizations and several provincial governments. As far as research is concerned, we are collaborating on some research in Newfoundland and in Quebec City.

Mr. Chairman, those are the introductory remarks I wish to make to you gentlemen, and Mr. Huffman, Mr. McDonough and I will try to answer any of your questions to the best of our ability. If some question arises which is outside the realm of our activities, and which deals with agriculture at large, I think Mr. Jarvis will be happy to give you any information you require.

Mr. Yewchuk: Mr. Chairman, are we talking about Eastern or Western agriculture today, or both?

The Chairman: At the moment we are talking about the estimates of the Canadian Live-stock Feed Board.

Mr. Yewchuk: Are we going to be talking about the Wheat Board, and so on, today?

The Chairman: No, we are not going to discuss the Wheat Board. As a matter of fact, the estimates of the Wheat Board have not been referred to the Committee as yet. We will first deal with the Feed Board today, followed by the Farm Credit Corporation and then health of animals.

I wish to thank you, Dr. Perrault, and the gentlemen with you for being present this morning. On my list of members who have indicated they wish to question the witnesses I have Mr. Danforth, Mr. Muir, Mr. Asselin, Mr. Roy, Mr. Horner, Mr. Gleave and Mr. Cobbe. I will recognize other members as I go along. I will first recognize Mr. Danforth, the member for Kent-Essex.

Mr. Danforth: Thank you, Mr. Chairman. Dr. Perrault, we certainly appreciate the detail that you have given us. I have three short questions to ask. They deal with the actual administrative duties of the Livestock Feed Board.

In your report you indicated that the freight assistance on corn was \$6 per ton—I think that was the figure—less than that which was granted to supplies out of Fort William and Port Arthur. Am I to understand that this is the estimated cost of the normal shipment of grain from Fort William to the Ontario border, and this is why it is \$6 less?

Dr. Perrault: First of all, it is a shorter haul.

Mr. Danforth: Yes.

Dr. Perrault: It is the basis of the rate, and it is a shorter haul than coming from Fort William.

Mr. Danforth: This leads me to my question, Dr. Perrault. As I understand your submission, the Livestock Feed Board administers the freight assistance policy. Is this policy as it is set out by the government or can various segments of agriculture, on application to your Livestock Feed Board, obtain a change in the rates or new subsidies, or must this be a Cabinet or a policy decision? You speak of administering and I wonder where the division in power lies?

• 1430

Dr. Perrault: Of course, if it is a question of a change in rates, this is done through the Governor in Council. As far as new areas are concerned, one thing I did not mention is the northwestern part of Ontario; Rainy River, Kenora and Thunder Bay. For many years it

was a no-man's-land, and the Board decided that they should be treated on an equal footing with the rest of Ontario. So, we made a recommendation that as far as freight rate assistance is concerned they should be included. This is the only new area that we have added to our list. Of course, as far as this territory was concerned a special clause was put into the Act. We made the recommendation and it was accepted. I do not remember what rates are paid there, but I know they are being paid. Of course, there was a little bit of trouble at the time because it was new to them, but we sent one of our men to explain the mechanics of the subsidy program to them. I do not know if that answers your question.

Mr. Danforth: Fine. Dr. Perrault, I think it is appreciated that one of the main administrative duties of the Board is, as you put it, to stabilize grain prices in an area.

The Chairman: Would you please use the microphone, Mr. Danforth?

Mr. Danforth: I am sorry.

Dr. Perrault: Yes, within Eastern Canada.

Mr. Danforth: To stabilize the price of grain.

Dr. Perrault: Yes.

Mr. Danforth: Can this Board use the power which I believe it has to direct the purchasing of grain? In other words, can this Board purchase grain outside the country for the purpose of stabilizing the price if they feel the prices are unjustified?

Dr. Perrault: As far as the imports are concerned I think the only power we have is to negotiate the conditions of import permits. We do not have the power to do as you suggest. As far as marketing is concerned, I think some regulations will be published in the *Canada Gazette*, but this is a power we want to use sparingly. This is the power we would use if there should be excessive margins in prices, and short supplies. The two can go together. If it would happen that in certain areas one or two, or let us say, a few merchants would attempt to corner the market this will be the basis of our using this power.

When you refer to price stabilization, this price stabilization has to be done within East-

ern Canada and within British Columbia, not between Eastern Canada and the Prairies, or the Prairies and British Columbia. We take all of Eastern Canada as an area.

Mr. Danforth: We are all well aware that there were bargain purchases available on American corn. It is my understanding that grains—wheat, oats, barley or other feed grains—cannot be imported into Canada without a permit issued under the jurisdiction of the Canadian Wheat Board, but corn does not fall within this jurisdiction. Does this Board have the right to license the importation?

Dr. Perrault: As long as we pay the duty, of course. You are referring to American corn?

Mr. Danforth: I am referring to American corn. In other words, American corn can at the present time come into Canada without permit?

Dr. Perrault: Yes, as long as you pay the duty.

Mr. Danforth: Yes. Was there a volume movement of American corn into the Eastern provinces this fall?

Dr. Perrault: Oh, yes. I think it was quite large. Actually we have estimated about 40 per cent, roughly, of the total requirements, compared to 20 per cent last year in the same period. There was quite a movement.

• 1435

Mr. James M. McDonough (Member, Canadian Livestock Feed Board): The usage of American corn has doubled—this year versus last year—crop year to date.

Mr. Danforth: Mr. Chairman, may I request through you that these figures be given to us in some detail at a later date, when available?

Dr. Perrault: Yes, we have those and we will provide them. They are for shipments out of the elevators on a weekly basis.

Mr. Danforth: I would appreciate that very much. Mr. Chairman, I know there are many members who wish to ask questions. I am prepared to pass at the present time.

The Chairman: Thank you, Mr. Danforth. I recognize Mr. Muir (Lisgar).

Mr. Muir (Lisgar): As I understand it, under the regulations your Board is empowered to

purchase, or licence to purchase, grain whenever it sees fit. Is that right?

Dr. Perrault: Yes, we can buy and sell.

Mr. Muir (Lisgar): You can either licence an agency or a private dealer, or purchase it yourself.

Dr. Perrault: We can go to that extent, yes. We can buy directly from the Canadian Wheat Board or through an agent of the Canadian Wheat Board.

Mr. Muir (Lisgar): Up to the present time, the Board has not purchased any grain?

Dr. Perrault: Not exactly.

Mr. Muir (Lisgar): Under what circumstances would the Board consider it necessary to licence for purchase, say, American corn in preference to Ontario corn or Western feed grains? I think perhaps you did give the answer. Unless you would care to enlarge on it, we can let it pass.

Dr. Perrault: Of course on an equal cost, if we were to market corn we would get preference for the Canadian products. There is no doubt about this. But on the other hand, like many people, we get involved in the trade and we have to face that event.

Mr. Muir (Lisgar): It must be of some use to the purchaser of these feed grains that we have a viable feed grain industry in this country. If it went to the extent where, just because American corn was cheap, we filled our elevators up to feed Eastern cattle with American corn, we would soon run our feed grain business out of Ontario. Is that correct?

Dr. Perrault: As I said, we like to give preference to Canadian products.

Mr. Muir (Lisgar): Does your Board give preference to Canadian products?

Dr. Perrault: We did not buy it yet.

Mr. Muir (Lisgar): No, you have not bought it yet. But you have been licensing other people to buy it. Is that not right?

Dr. Perrault: No.

Mr. Muir (Lisgar): Oh, you have not even issued the licences?

Dr. Perrault: No.

Mr. Muir (Lisgar): Well, I am glad I asked that question, because in purchasing Western feed grain, as I understand it, unless it is

screenings, all the purchases have to be made through the Wheat Board. You are not controlling the purchases that are now being made of Western feed grain. Is that right? Up until now you are not?

Dr. Perrault: No.

Mr. Muir (Lisgar): Do you intend to?

Dr. Perrault: Well, as I said before, depending upon the circumstances, if there are excessive price margins. Last winter the margins were not excessive. On-the-spot offerings—I feel that some companies went into losses—I am not talking about contracts and things like that, I am talking about on-the-spot offerings. One factor was American corn. As for agreed charges in Ontario, well, the crops were better than expected. But if you go back to former years, then as soon as navigation ceased—we can show you this form charts we have—there was a significant price increase during the winter months.

Mr. Muir (Lisgar): During the winter?

Dr. Perrault: Yes, definitely. This is one case of course, if there were short supplies or if somebody attempted to corner the market. You could have a situation whereby you have ample supplies as a whole, but there could be short supplies in one category of grain.

Mr. Muir (Lisgar): In other words, as long as the price is stable, you people do not intend to enter the market?

Dr. Perrault: That is right. As long as you take the price at the source of supply, let us say Fort William Port Arthur, and you add the freight cost—by water or otherwise—and a reasonable mark-up for carrying charges, for the interest and the storage, plus a normal profit, then we would not have to get into marketing.

Mr. Muir (Lisgar): Under those circumstances you would not.

• 1440

Dr. Perrault: We would not.

Mr. Muir (Lisgar): It has been estimated in the West that some 10 million bushels of grain—this is not screenings—has been transported illegally out of that area and, of course, the bulk of it, I think, is coming East.

The Wheat Board regulations, of course, do not permit the transport of such grain across provincial boundaries, so that I think it is

safe to assume that the bulk of this grain is coming through illegally as screenings. Do you have any regulations, or are there regulations under the Board of Grain Commissioners to grade the screenings?

Dr. Perrault: What we have done on this is to discuss the matter several times with the Canadian Wheat Board and the Board of Grain Commissioners. The Canadian Wheat Board have tightened their regulations—I believe this started August 1. We have changed some of our own regulations. There was a time when we required an affidavit to prove the nature of the shipment, but since a few weeks ago now we request an inspection certificate from the Board of Grain Commissioners.

We know that this situation exists. We know also that there are shipments, illegal shipments as you call them, and that the subsidy assistance is being paid on this. We are aware of this. We have a few cases in mind, and we are investigating with our legal adviser what sort of action could be taken soon. As far as we are concerned, we are trying to stop this, because this is very unethical for the trade, and as you said, it is not a normal practice.

Mr. Muir (Lisgar): In other words, you think that it could be policed.

Dr. Perrault: Whatever we can do we are going to do, provided we have the evidence. We have one case in hand at the present time, and the legal adviser is looking at it. As I said, we modified our regulations in order to try to stop it to the greatest possible extent. It is as far as we can go.

Mr. Muir (Lisgar): You said that the Board of Grain Commissioners are also looking into this. Is that right? Do they grade these screenings? Are they usually graded, so that, let us say, there is a No. 1 screening, a No. 2, and so on?

Mr. McDonough: Yes, these would normally be graded on the movement out of the elevator in Western Canada, at the original elevator in Western Canada. We have one particular case in mind right now that the Department of Justice are reviewing for us, where we feel that we may have some action on this. As Dr. Perrault mentioned, there has been, we suspect, some falsification of documents in regard to our own Act and regulations. I think that we can control the import

of this type of grain into Eastern Canada only to the extend that we stop paying subsidy on it. I think if it flowed in without our paying subsidy, we would have no control over it. Although not paying a subsidy certainly should be a deterrent.

Mr. Muir (Lisgar): I would think so, yes. The last question then is: Are you also empowered to divert grain or designate where grain should go or what elevator it should be placed in?

Dr. Perrault: The movement itself?

Mr. Muir (Lisgar): The movement of the grain?

Dr. Perrault: No.

Mr. Muir (Lisgar): Are you not really set up to make sure that there are supplies at strategic points?

Dr. Perrault: Of course if we were in marketing then we could market for a certain area and go to specific elevators.

Mr. Muir (Lisgar): As long as the grain moves into these strategic points that we are talking about for the feeders, then you would not enter the picture?

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Dr. Perrault: No.

Mr. Muir (Lisgar): But suppose for some reason or other, probably resistance to the price that was being paid, the private dealers did not fill a certain elevator, what would you do in a case of that kind?

Dr. Perrault: Get into marketing.

Mr. Muir (Lisgar): I beg your pardon?

Dr. Perrault: Get into marketing.

Mr. Muir (Lisgar): You would get into marketing? I will pass, and thank you very much.

Mr. Huffman: We would have to get into marketing, but not divert somebody else's grain. This was your question. We have no authority to divert; we would have to get into the market.

Dr. Perrault: This is not a power we want to use for the sake of the power. We want to use the power if there are strong reasons for using it.

Mr. Muir (Lisgar): I see; thank you, very much.

The Chairman: Thank you, Mr. Muir. I recognize Mr. Asselin, Charlevoix.

[Interpretation]

Mr. Asselin: Thank you, Mr. Chairman. I would like to put a question to Dr. Perrault. Transportation companies are carrying grain in the East, are they accredited by other organizations on your Board.

Mr. Perrault: You mean truckers.

Mr. Asselin: Yes.

Dr. Perrault: Yes.

Mr. Asselin: By your Board.

Dr. Perrault: Yes, truckers must be cleared. They must be registered with the Canadian Feed Board.

Mr. Asselin: How many firms are accredited at the present moment.

Dr. Perrault: With regard to the East, I cannot say.

[English]

How many truckers' associations do we have in Eastern Canada, Mr. McDonough?

Mr. McDonough: I am only guessing, mind you, but I estimate somewhere in the neighbourhood of one hundred.

The Chairman: Thank you, Mr. McDonough. Mr. Asselin?

[Interpretation]

Mr. Asselin: Could we have the list of accredited companies? Could the Board send us the list of these firms which are registered with the Board?

Dr. Perrault: Yes, we are going to.

Mr. Asselin: In your presentation you said that your Board has plans for grain transportation in strike time. Or have I understood you rightly?

Dr. Perrault: Yes, I mean...

Mr. Asselin: Could you be more specific.

Dr. Perrault: We always thought there could be a strike at the Lakehead and if my memory serves me right, about a year ago, we met with the grain shippers of Canada, the Canadian Wheat Board and our Board to discuss the possibility of having the "C Plan". This plan was used in the war years to transfer grain from the Prairies to eastern ports.

During the second strike, because we had two strikes in a row—first of all there was a strike on the St. Lawrence, then at the Lakehead, the “C Plan” was put into operation during the second strike and it was thus possible to ship grain from the Prairies to eastern Canada.

Now, we were in a fairly favourable situation in Quebec and the Maritimes because we had agreed charges with which grain could be transferred from the Lakehead to various destinations in the East, in Quebec particularly, and in the Maritimes. During the strike, producers did not lack grain.

We also recommended to the Wheat Board that use of certain grains be allowed in Nova Scotia and in Ontario and that some wheat be made available for human use. That grain is now being used as animal feed. All these steps have enabled us to weather two strikes with no feed shortage to the stock-raisers. The situation in Ontario was different. Here there was no agreed rate. Normal rail freight charges prevailed—“open rate”.

Ontario then used local feed grain to face the shortage.

Mr. Asselin: So far as price stability is concerned, will you have more warehouse facilities, in eastern Quebec, for example? Farm associations in the East have repeatedly asked the Federal government to build grain elevators in the East to allow them to get better supplies, and more easily, and also to get better prices. Did you inquire lately to know whether this storage space is sufficient for farmers' needs?

Dr. Perrault: So far as we are concerned, there is enough space in Eastern Canada but as I stated, it is a question of good use so that we supply eastern farmers.

In eastern Canada storage space is adequate. But as I said a while ago, it is largely a matter of making better use of existing facilities so as to give eastern elevators a better supply service.

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In winter, we could also store on ships. This would mean slightly higher rates of course. But there is no overall storage problem, as far as available space is concerned. We had some requests earlier, from Rimouski and Matane. We met the Rimouski UCC directors with figures in hand to show that it would be much more expensive to build—that the present programme was cheaper. It would always be possible for them to get supplies

from Quebec city or have them shipped by rail.

We feel there is no problem of space shortage in Eastern Canada.

Mr. Asselin: Transportation by water and by rail do not cost the same.

Dr. Perrault: No, they do not.

Mr. Asselin: But in the lower reaches of the river in Rimouski, Matane and Charlevoix areas, where there are no winter shipping problems, could you not build elevators for these people to receive feed grain all year round and stock them in these elevators instead of using railways in times of shortage?

Dr. Perrault: The needs are limited because there are not as many animals as in the other counties in Quebec, particularly east of Rimouski. Now, in the case of grain elevators, for an elevator to be profitable, it should handle exports.

There is sufficient storage space to export from Quebec city to the east; to Baie Comeau, Cartier and so on. We have figures—I can show them to you afterwards—to prove that it would not pay to build another elevator. It is more profitable to use the services of the Quebec elevators or ship by rail at the agreed rates.

Mr. Asselin: Mr. Chairman, could Dr. Perrault send us, through you, the results of his study of the storing space question.

Dr. Perrault: I can let you have the data on Rimouski. In Matane the problem is the same.

Mr. Asselin: Does the same apply to Charlevoix area and the North Shore?

Dr. Perrault: We received no representations from those areas. That is something else again.

Mr. Asselin: I made several representations since I have been in the House.

Dr. Perrault: I must emphasize that it is the same problem. It would not be profitable.

Mr. Asselin: Maybe it would not be profitable for the Board or for other organizations but the farmers living in remote areas still have needs to be met, regardless of ultimate profit. Could the Board not consider that there are exceptional cases and could you not in a given area build some grain elevators to help farmers who have problems at some periods of the year. They are away from

larger centres and that is no reason to penalize them.

Dr. Perrault: In the case of mills you mentioned there is usually enough storage space. Even though this is limited it will always be possible to supply them by rail or truck unless there are unforeseen events.

Mr. Asselin: Mr. Perrault, you talked about the imports of American corn into Eastern Canada. I wonder whether these imports have been on the increase in the last five years?

Dr. Perrault: Yes, they have. We could give you figures on this. A member asked for specific data on this. We can give you data on the last five years. I will take note of this request. You will receive your information shortly.

Mr. Asselin: When these importation licenses are granted, are they granted to meet an immediate need or scarcity of the Prairie supply?

Dr. Perrault: Do you mean maize?

Mr. Asselin: Yes.

Dr. Perrault: There is no import permit or license in those cases. It is just a question of paying customs duties and various charges. Unless the Department wishes to add something.

Mr. Asselin: Am I to understand then that we are now in the following situation: U.S. feed grain or corn are competing with products which could come from the West?

Dr. Perrault: Their prices were more competitive in recent months so far as oats are concerned. In the case of corn and barley more so. Barley is now the tougher competitor. The low American prices for Indian corn certainly gave our Canadian products some tough competition. This is the reason why during the winter months some farmers bought heavy supplies of U.S. corn.

Mr. Asselin: Thank you very much.

The Chairman: Mr. Roy of Laval.

Mr. Roy (Laval): Thank you, Mr. Chairman. Dr. Perrault, first of all I would like to congratulate you and your staff for the remarkable job you are performing at the Canadian Feed Board. I notice that when you made your presentation, in addition to your efforts to stabilize grain prices you recently conducted an inquiry concerning feed prices. What is

the point of such an inquiry in view of the many factors influencing the price of feed. There is for example very strong competition which could play the role you play in this specific field.

Dr. Perrault: There certainly is very strong competition. Besides, the Act mentions feed grain and not processed feed. But these prices are asked for every month. We also see from the report of the feed enquiry committee which investigated the matter in 1964-65, that the proposed agency compile feed prices. We had many queries on this and we want to be accurate in our answers about price trends. If you want to know the price trends so far as concerns feeds, there are many things outside our control. There is no control for soya beans or vitamins, nor do we really control anything except grain. But it does give a better idea of the trade, of actual prices. People often tell us prices are on the increase. We can prove to them, at least since last year that there has been nothing like the increases they claim.

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Actually, in Eastern Canada, in 1968, feeds went down by about 5% from the previous year. The Act states that we should keep a close eye on market trends. This is why we decided to list the feed prices. We are asked for them every month.

Mr. Roy (Laval): I was in this business and I wondered what was the point of all this in view of the factors that can influence prices: shipment in bulk or bag sales; quality of the jute bags used—the latter case: terms of payment. There are many factors which can influence this trade. I wondered how important or how useful was this work of your Department. My second question is this. You also stated that you are doing research. We had the Canadian Grain Board. They are doing research, you are doing research. I wonder in what fields you are doing research?

Dr. Perrault: We are trying at all costs to avoid duplication. We do not want to duplicate the same work. Dr. Walker who is in charge of the economic research met with university people, government officials and so on to know what research was being done. We worked mainly on method of paying subsidies. As I stated earlier, we are working in close co-operation with the representatives of the Quebec Department of Agriculture to see what are the possible developments of local crop resources.

Then we are starting the work on the efficient use of storage space. The Act incidentally requires us to carry on continuing study of all aspects of the grain trade.

Mr. Roy (Laval): Now, one last question if you will allow me, concerning corn on the cob. I wondered whether it wouldn't be possible, whether we couldn't set up a system of prices as we have on other products, according to the use of the finished product, just like for milk, for example. Corn if used as corn flakes is worth \$23.00 a bushel if it is used as popcorn, it is \$44.00 while, sold as crushed corn retail market, it sells for \$9.30. Couldn't a price system related to the use of the product, farm prices are so competitive that if corn were not used—it could be replaced by something else—wheat for example. So the price is the deciding factor. Isn't my suggestion one practical?

Dr. Perrault: I wonder whether we wouldn't really be going beyond the scope of the Act? The Act says that we should have the greatest possible price stability. So, we want the research to be done within the framework of the Act. What you suggest really would go beyond the scope of the Act.

Mr. Roy (Laval): Couldn't we extend the Act? I believe our corn producers would be very happy if we could set up a price structure. This would certainly help producers to obtain the best prices and I think this would be a very useful job for the producers.

• 1500

Dr. Perrault: Some provincial governments have made studies in the field. I have seen the one for Quebec.

Mr. Roy (Laval): Thank you very much.

[English]

The Chairman: Mr. Horner?

Mr. Horner: Dr. Perrault, you suggested that you made no purchases and in order to direct or allocate shipments of feed grain you would nearly have to make purchases. I think I am right in assuming this?

Dr. Perrault: Allocate the space, yes.

Mr. Horner: You suggested earlier that your main function was in stabilizing prices and supplies to Eastern farmers. How do you suggest in your own way that you have stabilized the prices?

Dr. Perrault: Well, an area of price stabilization is, of course, marketing. There is no doubt about this, but in the absence of marketing we use whatever tools are left to us to deal with the stability.

Of course, at times for equalization you bring more stability, but the real tool is really marketing in order to achieve permanent stability of prices whenever needed.

Mr. Horner: You have attempted through the operation of your Board to re-divide or re-allocate the subsidy program. Am I right in saying that, in a sense? Now, you took in the Northern Ontario area?

Dr. Perrault: Yes, we added that.

Mr. Horner: You re-appraised the subsidies in the Maritimes as to how much they should receive on various shipments of grain. Has there been any change in the operation?

Dr. Perrault: Well, this is one thing that we want to look at. Of course, we will have to make a basic study of where the grain is going. The last one on record goes back to 1960-61, and this was a long study; I think it took six months for a few people to do it. What we intend to do in the future is to mechanize the operations of the subsidy in order that we know where the grain is going.

We have some idea at this, but we do not have any definite idea, and of course, we are paying the major part of the freight costs and once we have all this data there could be a re-appraisal. In B.C. there is going to be a re-appraisal in a matter of a few months. We are waiting for a settlement of the rate reductions before we make any recommendations.

Mr. Horner: I have been just trying to ascertain in my own mind what useful purpose you have been serving to the feed grain industry. Can you give the Committee some idea of how many individual farmers or feeders receive Western grain? I just want an approximate number—would it be 1,000?

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Dr. Perrault: In B.C.?

Mr. Horner: No, in Eastern Canada. I am not concerned particularly with B.C.

Dr. Perrault: At least 120,000.

Mr. Horner: At least 120,000?

Dr. Perrault: In B.C. there would be between 10,000 and 20,000.

Mr. Horner: Could you give the Committee some idea? I have always had it in my own mind that the large feeder was the one best suited to take advantage of the subsidy. Would this be a correct assumption?

Dr. Perrault: Well, there are large accounts, yes.

Mr. Horner: Could you give the Committee some idea at what the approximate average subsidy a feeder or farmer would receive under the feed freight assistance?

Dr. Perrault: Well, that could be done through some computations. I would have to take the total shipments.

Mr. Horner: Yes.

Dr. Perrault: Let us take the case of Quebec. We pay about \$70 or \$80 per ton. Yes, with a little bit of time we could do that.

Mr. Horner: You could leave it with the Committee.

Dr. Perrault: Yes, we could do that.

Mr. Horner: While you are doing that would you take a look at the feasibility of breaking it down? I am just going to throw out a few figures and you can say I am wrong or way out if you like, but in my appraisal of the whole program I would like to know, for example, how many farmers or feeders receive a subsidy of over \$1,000 on the feed grain they feed in a year?

Dr. Perrault: There is no way to know this.

Mr. Horner: There would be no way to know it?

Dr. Perrault: No, no. You are referring to quotas or things like that.

Mr. Horner: No, I am referring to the feed freight assistance. Supposing, for example, I am running a big feed lot in Eastern Canada and I am feeding mainly Western grain. I would stand to gain a huge amount; there is no limit per person to the amount of subsidy he can claim under feed freight assistance. As long as he uses the feed he is entitled to get a huge amount of assistance. Am I right in that assumption?

Mr. McDonough: That is right.

Mr. Horner: I would like to know how many huge feeders are making full use of and getting huge subsidies. In other words, sup-

posing we are paying out \$20 million or \$27 million, whatever the figure is now.

Mr. Huffman: It is about \$20 million.

Mr. Horner: About \$20 million—this is what it is now. In other words, if we are paying this out—you said to 125,000 people?

Dr. Perrault: Maybe, yes.

Mr. Horner: But supposing 50 per cent or...

The Chairman: Ten per cent.

Mr. Horner: ... say 10 per cent of that amount... Supposing 50 per cent of the \$20 million goes to 10 per cent of the farmers.

This is what I would like to know. I think it would be very useful in appraising whether or not the \$20 million is actually diversifying the feeding industry in Eastern Canada or whether it is...

Dr. Perrault: Well, if you look at the state averages, of course the average would be low on account of the high number, that is for sure. Surely we do not have any way of knowing it unless we go back to the census data and see what the cattle numbers are, for instance, and...

Mr. Horner: But there is no way your research staff has looked at this problem, as I have suggested?

Dr. Perrault: As I have said, we look at ways of modifying the method of the payment, and we look at the impact, too, of changes; but with the present system, no.

Mr. Horner: You cannot ascertain where the money is put?

Dr. Perrault: Well, we would have to come out with generalities about the breakdown of the herds for operators, and so on, which is given by the...

Mr. Horner: Supposing I order and buy a carload of feed barley from Western Canada; I buy it through a broker, it is shipped to me. How do I get the subsidy? It is not paid to the farmer, it is paid to the broker.

Dr. Perrault: Yes, competition.

Mr. Horner: Competition, but there is no way of knowing how many individual farmers purchase grain from a given broker?

Dr. Perrault: Well, we want to bring the subsidy closer to the farmers; this is our plan.

Mr. Horner: Well, tell me, how many different brokers are receiving payments under the feed grain assistance? Could you give us an idea?

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Mr. McDonough: We pay brokers, merchants and feed mills doing business over a large area, and in total these would run somewhere in the neighbourhood of 100 claimants.

Mr. Horner: One hundred claims?

Mr. McDonough: One hundred claimants.

Mr. Horner: And they would vary in size, some big and some small?

Mr. McDonough: Yes.

Mr. Horner: The Canadian Livestock Feed Board itself does not act as an agency?

Mr. McDonough: No.

Mr. Horner: The subsidy is paid out in a competitive relationship. In other words, a farmer in northern New Brunswick, for example, would receive a greater subsidy than one in Northern Ontario. Is that correct?

Dr. Perrault: Yes.

Mr. Horner: How does the relationship vary, from the nearness of the market or from the nearness of shipping facilities?

Dr. Perrault: Well we try to equalize freight costs within this area.

Mr. Horner: The freight costs?

Dr. Perrault: Yes. Of course we will have to reassess again when we have more data.

Mr. Horner: How do you feel, Dr. Perrault, that the National Grains Council will facilitate the management and working of your board once it becomes operational?

Dr. Perrault: Well, I do not know. There was a conference on this, they gave the terms of reference and so on but I do not think it has been finalized yet. We said in Winnipeg at the time that we were ready to collaborate.

Mr. Horner: Could you give the Committee some idea how you felt at Winnipeg that the National Grains Council would assist your people?

Dr. Perrault: Well we said that the Council, to be effective, should take into account all regions of Canada and all grains, that there

was a probable need to look into research and market potential for domestic and exportable grains, and that more effort should be directed towards plant research. These are some of the things that we mentioned at the time.

Mr. McDonough: I do not think that we looked at the National Grains Council in the light of how it would assist this Board, we gave our views as to how it would best serve Canada in total.

Mr. Horner: Looking at it with regard to plant research and feed grain—and I want to know whether the same thought is true of eastern Canada—there has been quite a bit of thought in western Canada that as the condition now stands it is nearly prohibitive for private enterprise to do any research in the development of better feed grains. There is much thought in western Canada that this restriction should be removed, that feed grain companies and anyone else interested should be allowed to do research to develop better feed grain varieties. Is there any thought in eastern Canada that perhaps we have lagged behind because we have, in a sense, left it to the state—I am using that word loosely—to develop feed grains?

Mr. Jarvis: This is an interesting question. I think it relates to the suggestion that there is no place for the private plant researcher or that no one in the private area has found reason to be interested in plant breeding and the several elements attached to it. The reason of course that he is not in it is that there has been nothing there to attract him, I presume, and he has preferred to depend on the government and universities to carry out this work.

In cereals, very much in contrast to corn, for example, the private industry has made a great contribution to the breeding. In the case of corn we are dealing in hybrids and the seed has to be reproduced every year. The farmer has to start with new seed every year. So that there is a very significant role here for a multiplier and breeder of seed from year to year. In the case of the cereal grains of course, where we were dealing with specific varieties, once the variety is established then as long as the original quality of the seed is maintained through registered seed growers the seed is in the farmers' hands and the seed trade's hands and there is not this fundamental work to be done year after year in the maintenance of the hybrids. There is a great difference here and I think it

is necessary to recognize this. On the other hand, certainly in the terms of the attitude of the Department of Agriculture and the government, I am sure, we would like to encourage the people who can make a contribution here—an important contribution in the advancing the quality and calibre of our grains from whence they may come. We will certainly hope they can make the contribution. But there are some differences here which I think are quite distinct.

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Mr. Horner: Thank you, Mr. Jarvis. I have no further questions, Mr. Chairman.

I would just like to say to Dr. Perrault that I hope they do make a study on where the feed grain subsidy is really going and give the Committee some figures at a later date.

Mr. Pringle: Mr. Chairman, might I ask a supplementary question? During the discussion Dr. Perrault mentioned that he felt that improved marketing procedures was a step that could be taken to stabilize prices. Is this stabilizing the price for the consumer or the feeder, or stabilizing it for the grower and the feeder?

Dr. Perrault: For the feeders, by taking the sources of supply.

Mr. Thomson (Battleford-Kindersley): I take it the purpose of your Board is to look after the feeder of livestock, not the grower of feed grains?

Dr. Perrault: Of course if we have a policy change, it would affect the growers. Like, in the case of B.C., we know of certain instances and in the coming months, as soon as the situation is settled, we are going to attempt to correct the situation.

The Chairman: I will now recognize Mr. Gleave from Saskatoon-Biggar.

Mr. Gleave: I would like to ask a question or two on American corn. The Board has not the power to control the importation?

Dr. Perrault: No.

Mr. Gleave: Once American corn is imported and in position does it qualify for freight assistance?

Dr. Perrault: No, it does not.

Mr. Gleave: We do not control the importation of American corn. I know at one time there were quotas on our sales of feed grain

into the United States; is it still so—that Canadian feed grain—that is oats, barley and feed wheat, cannot move freely into United States markets?

Mr. McDonough: I believe it is restricted on a quota basis. I am not positive of this. This is a question that only the Canadian Wheat Board could answer.

Mr. Gleave: Do you know the size of quotas that are imposed?

Mr. McDonough: No, I do not, but this information could be obtained.

Mr. Gleave: But there is no quota on the amount of American corn that can come in?

Mr. McDonough: No, none whatsoever.

Mr. Gleave: And neither is there licence on the imports?

Mr. McDonough: No.

Mr. Gleave: But if the Board does not choose to use its marketing power then we are in the position where we can freely import American feeds but Canadian feed grains cannot move freely into the United States market?

Dr. Perrault: In the case of corn it moves freely into Canada, provided the duty is paid, yes.

Mr. McDonough: Regardless whether or not Canadian Livestock people were importing or marketing corn could still freely move into Canada. This would not restrict it in any way.

Mr. Gleave: So that we have one-way free trade, so to speak. There is a certain duty on American corn coming in?

Mr. McDonough: Yes.

Mr. Gleave: And if American corn comes in then it will serve our markets from roughly central Canada to the Atlantic seaboard—the Maritime markets, Quebec and so forth?

Dr. Perrault: Well very little of it goes into the market. Are you talking about American corn?

Mr. Gleave: Yes.

Dr. Perrault: I recall that last month there was only one small shipment of American corn made into the Maritimes.

Mr. Gleave: Then it is mostly to Ontario and Quebec?

Dr. Perrault: Ontario, Quebec, yes but I would say mostly into Quebec.

• 1520

Mr. Huffman: Mr. Chairman, quite a lot of corn goes into B.C., and some goes into the Prairie provinces. When it was at a cheaper rate last fall it flowed into the Prairie provinces.

Mr. Gleave: Also, substantial amounts of American corn come into the Prairie provinces and British Columbia and as it comes into these markets it of course displaces American feed. Does it also have the effect of lowering the general price level of feed grains in the area?

Dr. Perrault: Do you mean with respect to source of supplies from Fort William?

Mr. Gleave: Yes.

Dr. Perrault: It has an effect, yes.

Mr. Gleave: It has that effect?

Dr. Perrault: Oh yes. Actually American corn is not as competitive as barley. It went up recently to \$1.16 or \$1.17 at Chicago.

Mr. Gleave: Then the Wheat Board is in a real sense the price setter for Canadian barley moving into the eastern market?

Mr. Huffman: Right.

Mr. Gleave: Are the Wheat Board prices usually competitive with the American corn coming in?

Dr. Perrault: Oats was not competitive in the past few months for sure.

Mr. Gleave: Oats was not competitive?

Dr. Perrault: No.

Mr. Gleave: Do they usually keep barley competitive?

Dr. Perrault: Barley is getting closer. I think there is a good competing basis actually, but barley was more competitive in relation to American oats than Canadian oats were.

Mr. Huffman: It was not a year ago.

Mr. Gleave: I would assume since the amounts of American corn coming in have doubled that Western feed grain was losing its competitive position?

Dr. Perrault: They were losing a share of the eastern market, yes.

Mr. Gleave: Well, that means that we are losing our competitive position *vis-à-vis* American corn in our central Canadian market?

Dr. Perrault: This is correct.

Mr. Gleave: So that we work very hard to get export markets while the ones at home go south of the line.

Mr. McDonough: We must take one thing into account here. We were mentioning barley. Although American corn will first replace that wheat which is used in feeding rations in the United States and Canada, wheat has not for some time been competitive with corn. Barley at the present time is quite competitive with corn. In fact, on a Montreal basis at the present time there is about a \$6 per ton advantage using barley versus corn. However, when it is compared with wheat, there is about an \$8 disadvantage for wheat.

Mr. Gleave: What grades of wheat would that be?

Mr. McDonough: This would be a five wheat or an equivalent grade.

Mr. Gleave: Five or an equivalent grade.

Mr. McDonough: A mixture which is equivalent in feeding value and price to a five.

Mr. Gleave: And you said it was \$8 a ton disadvantage.

Mr. McDonough: Yes, to corn at the present time at Montreal.

Mr. Gleave: Then on screening, the Board of Grain Commissioners told us when they were here that they would inspect, on request, car lots or larger amounts of grain shipments. Do you frequently request such inspections?

Mr. McDonough: We ask for inspection on all our cars of bulk grain moving in from the West.

Mr. Gleave: Does this identity as to inspection follow through to the user?

Mr. McDonough: Well, it follows through to the claimant; he waits until the documents or the inspection certificates which do identify it get over to us to substantiate his claim.

Mr. Gleave: This would probably be what you might loosely call an importer. He might be bringing it in from Western Canada.

Mr. McDonough: Right.

Mr. Gleave: And from him on the deal is between him and the farmer.

Mr. McDonough: Or the feed mill.

Mr. Gleave: Yes. And at this point of course there would not be inspection unless that individual called for it?

Mr. McDonough: No.

Mr. Gleave: Could he call for it again if he wanted to?

Mr. McDonough: I would suspect that he would be able to get an inspection on a sample, yes. We do though in our procedure of making claims ensure that that which is invoiced is the same grade as that shown on the grade certificate. So, as far as it getting to the mill or to the feeder is concerned, that same grain would move to him.

Mr. Gleave: Thank you very much.

The Chairman: Mr. Thomson?

• 1525

Mr. Thomson (Battleford-Kindersley): Are you aware of what subsidy the American Government pay to their farmers that grow corn? I wonder how we might relate this to the matter of tariffs, and so forth.

Dr. Perrault: The price support loan as an average is \$1.05. It varies according to location. I think Illinois has an average of \$1.08 and people who comply with the system get 30 cents per bushel. They also have a payment which I was told at one time could amount to \$60 per acre—I am not sure about that—for diverting acres to conservation practices. This is the kind of deal that the compliers get from the U.S. Treasury.

Mr. Thomson (Battleford-Kindersley): It would really be pretty hard to determine what it was per bushel of corn. This is the point I am getting at; how much subsidy, in effect, was given per bushel?

Dr. Perrault: I do not have that information.

Mr. Huffman: Mr. Chairman, perhaps I can answer it a little bit more specifically.

The Chairman: Mr. Huffman?

Mr. Huffman: Under this program, as Dr. Perrault said, it starts out between \$1.05 and \$1.08. That is basic. In order to do this you must reduce your allotment 20 per cent and if you reduce it 20 per cent you automatically will get another 30 cents which is \$1.35. If you reduce it to 50 per cent which is the minimum then you could go up to \$1.60, something. It varies from 80 per cent reduction to 50 per cent and in turn that goes from \$1.35 on up.

That is that one program, so if you did reduce your quota allotment to 50 per cent you may get \$1.60 and you may get anything between these two, but basically you have to go to \$1.35 because you must go to the 80 per cent in order to join the program.

Mr. Thomson (Battleford-Kindersley): In effect, you could afford to put fertilizer on the rest, then.

Mr. Huffman: There are other programs, such as the land bank, and so on, and then there is what we call the free corn, which has no subsidies or anything. It is grown free; you can grow all you want and put it on the market.

Mr. Thomson (Battleford-Kindersley): I am thinking here of the competition . . .

The Chairman: I think we cannot permit unlimited supplementaries or else we are offending those who have their names on the list. I recognize Mr. Cobbe (Portage).

Mr. Cobbe: Thank you, Mr. Chairman. Dr. Perrault, in your opening remarks you did refer to corn quite frequently. What part does your committee play in the handling of corn and looking after the demand, and so forth? Why do you continually refer to corn in your statements?

Dr. Perrault: Because it has had quite an impact on the needs of the livestock feeders of the East this year and it had some last year over the total requirements before the close of navigation. Gradually it has been replacing Western grains so far as the usage is concerned.

Mr. Cobbe: Then in Vote 65 where the Western Feed Grains is mentioned this, then, does include your handling of the corn.

Dr. Perrault: Yes; Ontario corn to the Maritimes.

Mr. Cobbe: I would say that this is a very misleading title because this would indicate in

the vote that there were some \$21.6 million spent on Western Feed Grains.

Dr. Perrault: That is right.

Mr. Cobbe: Really it is not all that, is it?

Dr. Perrault: Well, no; the Ontario corn is a small part of the total amount.

Mr. Cobbe: Right.

Mr. Horner: How small?

Dr. Perrault: Oh, it is a matter of what; about a few million?

Mr. Horner: About 1.5 million bushels.

Dr. Perrault: Yes, 1.5 million bushels last year.

Mr. Pringle: Mr. Chairman, was any consideration given to paying a subsidy on Ontario corn going West?

Dr. Perrault: There is a subsidy already on Manitoba corn going to British Columbia. That has been there for many, many years, but from Ontario down to the West no consideration was given to this.

Mr. Pringle: Only from Ontario.

The Chairman: We will return to Mr. Cobbe.

• 1530

Mr. Cobbe: I assume the Western farmer is paying the greatest percentage of this, so this is why I asked that question. The other point is, does your committee make any recommendation to the Canadian Wheat Board or give them reports on the amount and type of feed that is being handled?

Dr. Perrault: Yes, what happens is that in the East we have a monthly periodical on the grain facts and this information is sent to them, and occasionally we meet with them and bring to their attention the development in Eastern Canada.

Mr. Cobbe: I realize that the Canadian Wheat Board is controlling the price of the feed coming from Western Canada, but I think in what we know about the so-called screenings entering Eastern Canada that it would indicate possibly some of the farming industry in the West is interested in getting the feed into Eastern Canada and perhaps not always at the price the Canadian Wheat Board indicates. I think your discussions with

these people should include some discussion at the price of the feed grain to the Eastern market so that it can be kept competitive, so that we can get more feed into it.

The Chairman: Mr. Huffman?

Mr. Huffman: Mr. Chairman, we have met with them and we have discussed it. We discussed it fully when we met with them. I think we have made them very well aware of the situation concerning corn and where it is going and the competitive other products. I think we met very amicably and laid all our cards on the table so that we worked closely together, and we try to help out the situation for them as well as for the feeder in the East. They know the facts. We did this several times.

Mr. Cobbe: All right. Then it would be up to the Canadian Wheat Board to make a decision.

Mr. Huffman: That is right.

Mr. Cobbe: To follow up what Mr. Horner said regarding the number of feeders in eastern Canada, I refer to the time the corn growers paid a visit to the Hill. When I was speaking to them quite a few of the smaller feeders indicated they were not obtaining any advantage from the subsidy of freight on Western grain and I think perhaps this review you will come up with might show us that everybody is not getting the advantage or, in fact, perhaps the large feeders are getting all the advantage and a lot of the smaller feeders are not getting it. I shall be very interested in seeing this report. Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Cobbe. I recognize Mr. Southam (Qu'Appelle-Moose Mountain).

Mr. Southam: Thank you, Mr. Chairman. My questioning will be brief because a number of the questions that I had in mind have now been covered, specifically this matter of feed corn and the series of questions that Mr. Horner started concerning where the subsidies are going.

Dr. Perrault, the tenure of office of you and the members of your Board has been relatively short. As a matter of general information for this Committee, are you satisfied in your own mind that you are accomplishing the role you were set up to do, or could you recommend any amendments to the Act that would make your work more effective in this whole field?

Dr. Perrault: No, I think that is all. The Act is very broad. I do not think we would have any definite suggestions to make about amendments for the time being.

Mr. Southam: In other words, you think your role is being quite effective?

Dr. Perrault: Except at times as I mentioned, when you talk about allocation of space. To do a genuine job, a real job, it is pretty hard to do anything without the exercise of marketing powers. This is the real authority.

Mr. Southam: So far, according to your testimony, you have not been exercising in this field too much, have you?

Dr. Perrault: Nothing whatsoever so far.

Mr. Southam: Have you been approached by, or have you made a brief to or been involved with the Federal Task Force on Agriculture?

Dr. Perrault: Yes; this very week an economist of the Task Force was going to visit us and discuss the feed grain question with us.

Mr. Southam: You see, I am interested in...

Dr. Perrault: It is not complete, but we will get a contact somewhere, you know.

Mr. Southam: Some of my questions are prompted by what went on at the Kennedy Round at Geneva a year and a half ago. It has become apparent to me that our great friends to the south, the Americans, were interested in promoting the sale of feed grains as much as wheat, for instance, or perhaps more so under this International Grains Arrangement. I think we are just now feeling some of the repercussions of this forward push on their part by the import of this corn, and these are things that could be discussed at great length by our Task Force and by our National Grains Council. Will your Board be represented on the National Grains Council?

Dr. Perrault: Who will be represented is not set yet, Mr. Southam.

• 1535

Mr. Southam: Are you making representations to be represented on it, or do you think you could serve a useful role there?

Dr. Perrault: So far as we are concerned we have suggested that we be there in some advisory capacity.

Mr. Southam: How about this agricultural congress that is to be held here in Ottawa early in March? Are you people going to be represented on that, or will you be involved in it? Are you involved in the steering committee now?

Dr. Perrault: I expect so.

Mr. Southam: Are you involved in the steering committee?

Dr. Perrault: No, no; not on the steering committee, no.

Mr. Southam: I will leave it at that for the moment, Mr. Chairman.

The Chairman: Thank you, Mr. Southam. I recognize Mr. Lambert (Bellechasse).

[Interpretation]

Mr. Lambert (Bellechasse): Mr. Perrault, at a previous meeting, in the presence, I believe, of a representative of the Wheat Board the elevators in Quebec was raised. Does the Canadian Feed Board have jurisdiction over elevators in Quebec City?

Dr. Perrault: Does your question refer to allocation of storage space?

Mr. Lambert (Bellechasse): Yes.

Dr. Perrault: No, not this year. Last year, we recommended that storage space should be allocated between ten users, although this should not amount to the total space, but to a storage space with a capacity for 5 million bushels. We based ourselves on the use made the three previous years. We then made recommendations with respect to the allocation of space.

In so far as Quebec harbour is concerned, every year, we shall recommend to the National Harbours Board to assign storage space to handle 6 million bushels for the domestic market.

This is what we have recommended this year, whereupon the National Harbours Board transmits our recommendation to the elevator operators in Quebec City.

Mr. Lambert (Bellechasse): Was the Board consulted when the Harbour Commission rented elevators to an American company?

Dr. Perrault: Yes, we were consulted, and we were very reluctant to approve this. I think it took one year before the contract was signed but we made two recommendations opposed to this. We saw in this letting of the

elevators in Quebec City a situation which might entail some difficulty in the future. a fait accompli.

Mr. Lambert (Bellechasse): In the interest of farmers of Eastern Canada, has the Board considered that this renting could be more advantageous, more economical? Can the price be reduced?

Dr. Perrault: We were told that because of the efficiency of the company because it was able to move grain in great quantities, there would be some price reductions. Over the past few months through, we have noted exactly the contrary. For instance this week, according to figures we received, American corn is sold in Quebec City at a price which is 5 cents over that at which it is sold in Montreal.

• 1540

Mr. Lambert (Bellechasse): Now with reference to Rimouski and the surrounding area, for instance. Suppose that during the winter supplies are not sufficient and the farmers of the area have to get their supplies by railways, or by trucks: do these particular means of transport affect the prices they have to pay there?

Dr. Perrault: What product are you talking about?

Mr. Lambert (Bellechasse): I am talking about cereals.

Dr. Perrault: I am sorry, I did not fully understand your question.

Mr. Lambert (Bellechasse): The member for Charlevoix was asking if an inquiry had been made to build elevators in the area of Rimouski. You yourself had explained why it had not been done.

Supposing that at a given time you have a shortage which was not foreseen by the mills in the area. Cereals most then be transported from Quebec City by truck...

Dr. Perrault: We consider the stock stored in Quebec City and that which is going to be stored for the winter, we should have enough stock in Quebec, to serve the needs of the area. And also you note that the area of Quebec is no longer quite so extensive because of the opening of the Three Rivers bridge. There is a part of Quebec area which is served by Three Rivers, there should be enough stock at Quebec City to meet the needs of the producers.

Now, prices. As far as we are concerned, as far as the Board is concerned, we hope the prices will be as competitive as in the Montreal area.

Mr. Lambert (Bellechasse): Just one question, one last question. A little while ago, you told the member for Charlevoix that you are going to send him the results of the study that was made.

Dr. Perrault: Yes.

Mr. Lambert (Bellechasse): Are we given to understand that all the members of Committee can get these copies?

Dr. Perrault: Yes, you will get all these figures; we have no objection.

Mr. Lambert (Bellechasse): Thank you very much, Mr. Chairman.

The Chairman: A supplementary question, Mr. Roy?

Mr. Roy (Laval): Thank you Mr. Chairman. To follow up on this matter of elevators in Quebec city and considering that right now no one has been appointed to check how much space is available at the elevator. Does the Feed Board feel that it should recommend appointment of a co-ordinator to be responsible for investigating this matter of the space available because nobody is there to find out whether there is space or not nobody could guarantee that available space is being used.

Dr. Perrault: This recommendation has been made already; it has been made by the Canadian Feed Board.

Mr. Roy (Laval): Do you agree with it?

Dr. Perrault: No, we have already made this accommodation.

Mr. Roy (Laval): Thank you.

[English]

The Chairman: I recognize Mr. Korchinski, Mackenzie.

Mr. Korchinski: Is there available table of representative prices which are requested from the feeders at various points? For example, let us take the case of barley at various points. Do you have a table indicating the average price per month, say for every month? This might give us an indication as to whether there is any stability in the prices or not.

Dr. Perrault: Grains lose their identity when they are incorporated in mixed feeds. As I mentioned before, we are building up data for the various economic regions, eastern Canada and B.C. We are working on that. The data have gone to programming this month. This is one thing we want to do from month to month, to see what variations are from month to month and from a given month this year to a given month last year. This is how they are processed.

If you are talking about grains, this is a different thing. We keep prices of grain for the major trading centres, from week to week. We have the premiums over Fort William, Port Arthur; that is being done. We are also compiling data on other ingredients.

Mr. Korchinski: Would you have this information on grain available immediately?

Dr. Perrault: We could give you some historical data; we could give you some trends; but we have just started that a few months, and we are not ready to give it right away.

Mr. Korchinski: So that in effect you have no idea, really, whether you are stabilizing, if you do not have this information.

Dr. Perrault: We feel that if we can stabilize in a reasonable way the wholesale prices of grain, then we are fulfilling some of the requirements of the Act, but that does not go up to the retail level. We could give you some prices on the wholesale level. I do not know how many months you would require.

Mr. Korchinski: I am not so much interested in the wholesale levels. What I am interested in more is the price that the feeders have to pay. This is the price that really counts.

Dr. Perrault: I was mentioning that the feeders buy mostly mixed feeds.

Mr. Korchinski: Even if it is a mixed feed, it is mixed in certain proportions and so on, and you would have a comparative price for a certain type of grain, would you not, from certain points? For example, if it is Quebec or another point.

Dr. Perrault: Up to the wholesale level, yes.

Mr. Korchinski: But from there on you do not have it?

Dr. Perrault: From there on they use it more for mixed feed. Of course we could

gather also some retail prices of grains, but what we have done mostly is mixed feeds.

Mr. McDonough (Member, Canadian Live-stock Feed Board): Very little of the market in Eastern Canada or British Columbia is in the sale of raw grain. Most of it will be in the finished rations which are sold to feeders. As Dr. Perrault mentioned, grain loses its identity as soon as it is mixed, but we have started over the past few months accumulating data on the complete feed prices to the feeders, and it will be some time before this data can be put together with some reliability and accuracy in order to have tables which we are positive we could rely on.

• 1545

Mr. Korchinski: Are there various brokers that operate only in a certain point, or do the same brokers operate in every one of these points?

Dr. Perrault: There are both types. Some of them will operate right across the country. Others will operate only at one port.

Mr. Korchinski: In your study, would you be making comparison between the various brokers and so on, and the prices that are asked?

Dr. Perrault: Various trading centres, terminal elevator centres, yes.

Mr. Korchinski: Is there much use made of rapeseeds in the final feed that is being sold?

Dr. Perrault: In the mixed feed mill, in the incorporation of mixed feed?

Mr. Korchinski: Yes.

Dr. Perrault: I do not think there is too much of this.

Mr. McDonough: I have some figures.

The Chairman: Gentlemen, just while these figures are being presented, I wonder if I might get some guidance of the Committee. As you know Farm Credit is standing by in the event that our Committee would wish to question its members. We also have the Health of Animals Branch coming later in the day in the hope that we might want to discuss health of animals and conclude that consideration.

I have now before me some four questioners.

Mr. Korchinski: I could pursue the questioning while this thing is being looked up. I have a few other questions that I want to ask.

Up until now the only vehicle that you have used to stabilize prices, I gather, is the freight subsidy. You stabilize through subsidy on the freight.

Dr. Perrault: I mentioned that we have used the subsidy in part on Ontario shipments, Ontario corn, and also during the strike we had Plan C established again. Of course there were cases where they were under strike, where we made a recommendation of having an additional subsidy. These were some of the tools, and also the allocation at Quebec City last year.

Of course, one thing I did not mention, the technical advice given as far as agreed charges, because agreed charges really have the effect of putting a ceiling on prices, so we have agreed charges now for the province of Quebec. The present system goes up to November 27-28, and it will be replaced by a de-escalator clause. That was another way to get more stability, and prices during winter cannot go higher than the replacement cost by rail. This is a way of giving more stability to the market.

Mr. Korchinski: Could you say how much freight per ton on grain is paid from the Lakehead to Toronto?

Mr. McDonough: \$4.80.

Mr. Korchinski: Could you tell us how much subsidy is paid to a feeder in the Toronto area.

Mr. McDonough: Excuse me; I had figured that was your first question. The actual freight to Toronto *per se* would be...

Dr. Perrault: That was the subsidy, you want the freight.

Mr. Korchinski: That was the answer to the second question.

Mr. McDonough: If we use barley as an example, the cost of movement of barley to Toronto was around \$6.49 a ton on a weighted average basis, and the subsidy was \$4.80 a ton.

Mr. Korchinski: Would you have comparable figures for oats?

• 1550

Mr. McDonough: For oats it is \$8.08 a ton.

Mr. Horner: Is that by boat?

Mr. McDonough: Yes, water.

Mr. Korchinski: Freight is \$8.08?

Mr. McDonough: No. This is all costs: loading at the Lakehead, water freight, insurance, unloading, and then loading out to a truck or a car.

Mr. Korchinski: I see.

Dr. Perrault: We do not pay all expenses; we pay the greater portion of the freight costs.

Mr. McDonough: And wheat would be \$4.69.

Mr. Horner: The cost of wheat would be \$4.69, and you get the same subsidy of \$4.80. That is a pretty good deal.

Mr. McDonough: There is very little wheat used.

Mr. Horner: This year there might be quite a bit because of...

Mr. McDonough: This of course depends on price, and as I mentioned earlier it is not competitive in price with either U.S. corn delivered in Ontario or Ontario corn.

Dr. Perrault: That would be at the opening of the navigation season, that those contracts are being made.

Mr. Huffman: For the simple reason, Mr. Chairman, that Ontario is self-sufficient, and it would have to be very competitive in order to have any of this wheat used in that area.

Mr. Korchinski: It seems that storage facilities will be one of your problems. I think you answered this question, and I may have missed part of it. Have you had some requests for building more storage?

Dr. Perrault: Yes, from Matane, Rimouski and Fredericton.

Mr. Korchinski: Have you had many complaints from people in various areas that prices have not been stabilized since the Board has been in effect.

Dr. Perrault: Some complaint about what?

Mr. Korchinski: About the stability of the price.

Dr. Perrault: No, except if you talk about maybe some differences, let us say between the prices that the growers used to get in a certain area and the prices that they get now after some changes. Yes, we got some from British Columbia, which we will attempt to correct in the coming months.

Mr. Korchinski: Have you gone as far as the planning of any storage in the future. I imagine you will be giving it some thought. Have you given consideration to the possibility of shipping feed grains through the Port of Churchill, using the facilities there and stockpiling them in the eastern part of Canada to save on rail shipments during the winter months, rather than having to transport them.

Dr. Perrault: No, we did not.

Mr. Korchinski: Will you some time in the future give that some thought? I think there have been several plans that have been outlined in the past. It might be an area where you could save on your subsidy.

Dr. Perrault: Then you would need ocean vessels; are you referring to serving Halifax?

Mr. Korchinski: Yes, I think there were several plans outlined. Halifax, and I suppose for that matter ocean freight being cheaper than rail freight, you can come right down the St. Lawrence. Those are all the questions I have at the moment.

The Chairman: Thank you, Mr. Korchinski. Gentlemen, at this moment I am wondering if the Committee would consider completing our consideration of these Estimates by about 4.15, so that we could have a 15-minute break; then we might come back with Farm Credit at about 4.30. That is only a suggestion to the Committee, if it meets with your approval.

I recognize Mr. Ritchie.

Mr. Gleave: I would agree with it if at that time it was obvious that those who wanted information had it. But I do not think that we should arbitrarily cut off.

The Chairman: Oh, no.

Mr. Ritchie: The feed grain market in Eastern Canada consists of local grains, western grain, mainly barley, and American imports, corn I presume, probably soya beans, is that right?

Mr. Huffman: Yes.

Mr. Ritchie: What has been the trend in the past three or four years. Is American corn displacing western grain or local home-grown grain?

• 1555

Dr. Perrault: Yes, it is displacing western grains and this is some of the data that we are going to give to the Committee members at a later date. But we have some figures. Mr. McDonough can give you some figures for the past three or four years.

Mr. McDonough: I have only the crop year to date this year, and this would be from August 1 of this year up to November 13. Of the grain which was consumed for livestock feed, 39.7 per cent was U.S. corn. Last year in the same period of August 1 to November 15, it was 19.4 per cent of the total basket; so it has approximately doubled.

Mr. Ritchie: What about local grains in that time?

Mr. McDonough: Local grains consumption has been heavier, especially in the Ontario area where crops are larger this year, and it was used as a supplement to stock shortages during the strike.

Mr. Ritchie: I was informed that even at the present barley price, American corn still commands about a 10 per cent premium or advantage over western barley, when you put it in the computer and come out with the mixture that they do. Does this vary? I believe you made the statement that in Montreal barley was slightly over corn.

Mr. McDonough: Yes, this would depend on where you made this comparison. I believe it was about \$6 at Montreal, and it is about \$4 advantage to barley in Ontario. Of course, it depends on the type of feed that is being made, too.

Mr. Ritchie: If this is carried forward all year at the percentages you quoted—39 per cent versus about 19—what would that mean in barley or oats, or can you give us an approximate estimate quickly?

Mr. McDonough: I do not really suspect it will carry forward for the total year, because during the past week or so we find that the U.S. corn impact is declining somewhat because of the increase in U.S. corn prices.

Mr. Huffman: Mr. Chairman, Ontario corn is very competitive. The producer of the corn

may not be happy, but we are more than meeting competition. It has an advantage over American corn so the latter is slackening at the present time.

Mr. Ritchie: Therefore western grain, and barley especially, depends on the price to The Canadian Wheat Board plus the subsidy offered to put it in the position of being competitive.

Mr. Huffman: That is right.

Mr. Ritchie: World shipments of feed grains in 1961 to 1967 are quoted as increasing from 20 million metric tons to approximately 40 million metric tons. The Americans went from 10 million metric tons to 20, whereas we remained the same at approximately 1 million metric tons. Seeing that your Board is here and, although you are not directly concerned I believe in research, is this one place where we as a nation, agriculturally, should make considerable effort in doing something about this?

Mr. McDonough: We made this very point at the National Grains Council in our submission to them. We felt that the grain market which existed in the world was one for feed grains as well as bread wheats, and we felt that more emphasis should be placed on market research and plant research and better utilization of storage and transportation facilities for feed grain crops.

Mr. Ritchie: Has the Wheat Board pricing policy on barley been flexible enough? Has it created any problems for you to stay within the eastern market?

Mr. McDonough: Barley consumption is lower than it was a year ago. Of course, you can only measure the demand against the price that is being asked in competition with other commodities, such as corn.

Mr. Ritchie: Is the B.C. market approximately the same as the eastern except on a smaller scale?

• 1600

Dr. Perrault: With the breakdown of the usage for the various categories?

Mr. Ritchie: Yes. There is no great variation in corn.

Mr. McDonough: There would be a lesser amount of corn used because of the cost of corn into B.C. being higher. The only way of getting corn in there, of course, is by rail

movement, and the cost is somewhat higher. I believe at the present time that corn into B.C. runs somewhere around the \$60 a ton level, whereas in Eastern Canada corn is around \$50 a ton.

The Chairman: A supplementary question by Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, in relation to this question that has been raised here, some of the implications are that we need to sell western grain for less. My understanding of the corn situation and the corn sale from the Americans is that they are not actually, basically, selling it for less; they are being bonused by the American Treasury to this extent. Would you gentlemen care to comment on this particular angle?

Mr. McDonough: I did not want to imply that the western feed grains should sell for less. I think, as Dr. Perrault pointed out earlier, that we have made the Wheat Board well aware of the price situation in eastern Canada. The pricing from that point on is up to them, if western grain is going to compete with U.S. corn. We are looking at making sure that there is sufficient space for feed grains and that prices are stable.

Dr. Perrault: The eastern market and B.C. is a good market for the western producers if you take all categories of grain. It is about 100 million bushels a year, which is a good market.

Mr. Huffman: Mr. Chairman, I would suggest that we would like to see the American corn price higher, and not the western grains lower. This is not the government corn that we are talking about; this is free corn that is on the market. I do not think you are getting government corn in there. I do not think you are going to sell \$1.45 corn for \$1.20.

Mr. Thomson (Battleford-Kindersley): The point I want to make is that if it were not for the American subsidies to their farmers, one way or another, they would not be able to grow corn for that any more than we could. Am I correct?

Mr. Huffman: I do not think the free corn grower feels that he could either, and he is now turning to the government program by six million acres.

Mr. Gleave: A supplementary, Mr. Chairman. I would then take it that our situation here is that the American corn now is really the price setter in the market.

Dr. Perrault: Not right now. It was in the past few months.

Mr. Gleave: It was in the past few months?

Dr. Perrault: Yes.

Mr. Gleave: Not right now, but it could be so again.

Dr. Perrault: It could happen this coming year; that I do not know.

The Chairman: I recognize Mr. Côté, Richelieu.

[Interpretation]

Mr. Côté: Mr. Chairman, my question is addressed to Dr. Perrault.

In the last few days, some members complained that drying of grains in the West was not done quite quickly enough and a member said that this could slow down supplies to the East. Did you have any problem in supplying the East, because of this alleged problem? Is this a problem you have encountered?

Dr. Perrault: No. I do not think so.

Mr. Côté: This was not a problem?

Dr. Perrault: No.

Mr. Côté: It is my only question, Mr. Chairman.

[English]

The Chairman: I recognize Mr. Peters, Timiskaming.

Mr. Peters: Mr. Chairman, I think originally there were two people in favour of this Board for totally different reasons. This was back in 1964, or early 1964. One of them was myself and the other was the Member for Acadia, who is now the Member for Crowfoot. We were interested, specifically, in establishing a supply of grain in Eastern Canada that was sufficient to meet the requirements of eastern farmers. This in itself, if it was established where there was a sufficient supply and not an organized deficit of supply, would equalize the payments over a period of the year. The situation was that in March in the Ottawa Valley and in some parts of Quebec the price went up \$12 or \$13 a ton.

• 1605

Now, it seems to me in listening to the Board; we are again engaging in empire-building and the Committee here is certainly not curtailing this desire on the part of the

Board because they are asking for a number of things. They are asking for research; they are asking for the Board to be able to administer the importation of corn and control the price of corn. In my opinion this is not what this Board was set up for, and I would strongly urge the Committee members not to support the extension of this Board into that field. The purpose of it was to maintain a reasonable price for feed grain in Eastern Canada and this does not mean this Board builds elevators, as I have heard mentioned, and conduct studies into the type of feed available and this sort of thing, but to control that price. In my opinion, the Board has really only got into the extent, yet, of controlling the distribution of feed grain subsidies which was put into this Board's responsibilities simply because it fit in with the program. If grain was not in the area from water transportation, then subsidy would be paid to bring it in by rail, and this would carry that subsidy.

Mr. Chairman, I just raise with the Committee its responsibility to see that this Board is not sent into a number of directions that are almost the responsibility of the Department of Agriculture in the whole field.

Our main consideration at that time was the problem of Baie Comeau and Prescott, and the inability of the Department of Agriculture to ascertain why supplies were ensured demand in a particular area and how this situation was created. I would like to ask what they have done in terms of solving this problem of having forward amounts, not forward prices, of grain in position to meet the total requirements of Eastern Canada in the last three years?

Dr. Perrault: You referred to research. What we try to do, of course, to the best of our ability is to administer the Act. When you talk about research, it is well spelled out here that:

(1) It shall be the duty of the Board

(a) to make a continuing study of feed grain requirements in Eastern Canada and British Columbia, of the availability of feed grain and of the requirements for additional feed grain storage facilities in those areas;

Later on it says:

(c) generally, to advise the government on all matters pertaining to the stabilization and fair equalization of feed grain prices to livestock feeders;

So, I do not see how we would be able to accomplish that without having continuous research.

Mr. Peters: Well, I suggest the questions that have been asked have been giving you some leeway to get into fields that are not within the requirements of the section that you have just read. That is not really research, that is statistical requirements.

Dr. Perrault: Well, we certainly have to be aware of what goes on. As far as the duplication of the work with the Department of Agriculture, this is one thing we try to avoid, and I think we have been successful in avoiding duplication there.

I did not quite understand your point that we want to get into the imports of corn and control of prices. You mentioned this.

Mr. Peters: Yes, but this was not really why we set the Board up. The reason originally—and I think the members of the Committee should know it because it hinges on what they want to do with this Board—the original problem was that grain was being imported from United States companies into Canada in transit for export markets. Because that grain filled our elevators at Prescott, there was no room to store feed grains for the eastern Canadian requirement. The purpose of setting up the Board was to ensure that there would be 100 million bushels or 10 million bushels or whatever it amounted to, in the Prescott area for the eastern part of Canada.

I do not know what the reaction of the Board has been to Baie Comeau, but I understand the elevator that the National Harbours Board owned has been sold. I do not know whether we have any control over that—I would like to know. But I think that was the extent. The corn that was coming in then was for export purposes, but it eventually found its way into the Canadian market because the trade in Canada did not have any access to putting storage in that facility for the eastern feed grain producer.

Dr. Perrault: Getting back to prices, we do not have any way to control prices. The Act says, "to achieve a reasonable price stability."

Mr. Peters: Well, supply controls price.

Dr. Perrault: That could be true, of course. That has an effect on prices, but we do not have any way to control prices. This is not a thing we want, either.

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Mr. Peters: Mr. Chairman, I do not say to control prices but certainly to stabilize prices. There was a \$13 difference that has not occurred since; had it neither occurred much previous to that particular year.

Dr. Perrault: We did not have to get into marketing because prices had been reasonably stable.

Mr. Peters: Has supply had an effect?

Dr. Perrault: Yes; because at places like Montreal and so on, in Quebec, wherever there were supplies during the winter months this definitely had an effect on prices. Therefore, we did have to intervene with our marketing powers and make a recommendation to this extent.

Getting the grains into position is, of course, tied up with space availability. We had several discussions last fall with the Montreal harbour—and we did the same thing this year—and made the allocation last year at Quebec City. As I mentioned previously, we were concerned that there could be a shortage of supplies for the coming months, so we counselled the trade that the feed mills should book their requirements early. One association of Ontario thought that it was a good move on our part with the Ontario Feed Dealers Association and recommended to their feed mill members to book early.

Also, of course, the agreed charges have an impact on availability because they make for a continuous supply over the winter months and all through the year.

These are some of the ways in which we use the Act; and in rail negotiations particularly, in assisting a continuous movement of grain.

As I mentioned earlier, these agreed charges have the effect of putting a ceiling on prices throughout the year. We do not consider trucking wheat to be on a competitive basis in relation to rail, but it becomes competitive as your storage and interest charges mount up during the winter months. Oats are definitely, and barley becomes competitive later on in the season.

These are some tools that the wheat Board has been using.

Mr. Peters: Is it not true that we are still paying on that winter storage of eastern grain requirements for feed purposes?

Dr. Perrault: This year we will not pay any storage assistance. There was a little bit of it last year in Montreal...

Mr. Peters: Why?

Dr. Perrault: There were many pressures at the time on the Montreal harbour. On the other hand, corn came into the picture and people could put more corn in because they felt that they would have a way out by exporting the surplus, if necessary, and the agreed charges were here.

Mr. Peters: Yes; but your Board's responsibility was to see that this did not happen. There was an agreement with the Harbours Board and the other agencies concerned that you would have a prior right to an average yearly requirement so that freight rate assistance would not be necessary, or would be limited. Is this not true?

Dr. Perrault: You mean the freight movement?

Mr. Peters: That you would not have to move by freight; that you would have a prior right to the...

Dr. Perrault: We did not have any such authority, no. The only authority we have on allocation is on grain for our own usage.

Mr. Peters: But the Board does not have any usage.

Dr. Perrault: No, we do not have any; therefore we do not have the authority to make the allocation except in the case of Quebec City where it was a part of the agreement between the company and the National Harbours Board at the time. But without that authority it is rather difficult to make any allocation.

Mr. Peters: I wish I could remember the figures, but say the requirements for feed grain in the Eastern Ontario Region is 100 million bushels of the average yield. Through your relationship with the brokers are you not being allotted 100 million bushels in the elevator at Prescott before American corn is allowed to fill that space?

Dr. Perrault: No; we do not have that authority.

Mr. Peters: You have the authority. That is what the Board was set up for.

Dr. Perrault: No, we do not have that.

Mr. Peters: That is really the purpose of the Board.

Dr. Perrault: Take the case of Montreal, for example. There you have the milling trade, the domestic feed trade and exports, and so on. Every year we have discussions with the authorities there so that they store enough grain for the winter position.

Mr. Peters: But there are no storage facilities in Eastern Ontario except at Prescott.

The Chairman: Mr. McDonough has a supplementary answer.

Mr. McDonough: I might just mention, as Dr. Perrault mentioned earlier, that neither this year nor last year was there any real problem with storage space at any of the Eastern Canadian elevators. Whether it gets into the elevator or stays afloat on vessels, which is a supplementary way of expanding the storage facility, there are sufficient feed grains.

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There are other users who also float stocks for export and/or for milling. But there has been no real shortage of space in these elevators. It may be that shortages of feed grains develop during the wintertime in one particular type of feed grain and there will be an overage in another type.

Mr. Peters: You can only anticipate that within limits, because of the changing requirements of the feeders themselves. They change the mix.

Mr. McDonough: One thing I think we should emphasize here is that the Board has been very active in developing and encouraging the implementation of rail rates which are competitive with water movement.

Two or three years ago the rate, for instance, into a point in Nova Scotia might have been \$1.07 a hundredweight in Fort William, which meant that more of the space at Halifax had to be used to carry grain for the winter time.

Mr. Peters: Let me read to Dr. Perrault a statement made in December 1966, by Maurice Sauvé, Minister of Forestry and Rural Development, when he was outlining the policy of the government:

The objective of the Canadian Live-stock Feed Board will be to ensure that feed grains are available at reasonable

prices to meet the needs of livestock feeders. It will also have the responsibility of ensuring that adequate storage space is available and to bring about fair equalization of feed grain prices.

You have stated that we have been fairly lucky because you really do not have any control over this second and, what I consider to be, major reason for...

Dr. Perrault: These are the objects, but we must work within the powers available.

Mr. Peters: In what respect have we not given you the power? Tell us and we will make the recommendation, and you will have that power. This is why the Board was set up.

I am concerned, Mr. Chairman, about this discussion on because the questions seem to relate to a number of fields other than those within the Board's responsibility.

I may be mistaken about research, and this sort of thing, but I have heard members from Quebec ask for elevator facilities. Perhaps we should be building these—I do not know—but I think the Board is being asked about things which are not their prerogative.

Dr. Perrault: The Act says that we have the power to conduct negotiations. This is Section 6(b)

...with any agency or person involved in feed grain storage of handling for the purpose of reducing or stabilizing the cost of storage and handling and for the purpose of obtaining adequate storage space for feed grain in Eastern Canada;

The Act says "conduct negotiations", which we did. And on allocation it says:

(c) allocate space reserved for its use in any storage facility among persons requiring feed grain storage facilities in Eastern Canada;

That is what the Act says.

Mr. Peters: This is the point. I forgot the fact that we have boats in the wintertime and that they are a big source of storage, but all that was included in the problem we had.

It was felt that the feed grain agency would be able to bring in the last boat shipment that would not be leaving the St. Lawrence and would be staying in the position at Goderich and at Toronto and at Prescott, as well.

Mr. Huffman: Mr. Chairman, I recognize the problem both at Prescott and at Goderich.

We have the power of negotiation, which we used in Goderich, and we had ample supply through negotiations. If they had not seen fit to negotiate favourably we would probably have been powerless, but we did negotiate and there was ample supply.

We negotiated in Prescott, and during the strike at the Lakehead the situation became quite serious. We did not have agreed railroad rates into Ontario—they are into Quebec and the Maritimes—so that it was a very touch-and-go situation at Prescott. However, we negotiated with the dealers and we were prepared—and I think did on a small scale—to move some from Goderich area into the Prescott area, and we picked up the extra costs of rail transportation. Therefore, in the Prescott area during that period they used up a lot of their local grains plus a little pinch-hit grains that were moved in from Goderich, because certain companies were short. In this way we took care of the situation at Prescott. It is the power of negotiation.

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Mr. Peters: Members may not realize it, but we are paying as much as \$23.40 a ton for this freight subsidy. That is a situation which I am sure all members would like to get rid of. We are not interested in paying that much tonnage.

As I see it, the solution is to have proper storage facilities in place by the late fall so that we do not have to use winter rail storage. You obviously have the full power to handle this freight subsidy program, but you appear not to have the...

Dr. Perrault: Our feeling is that the storage facilities are ample to serve the domestic market as a whole.

Mr. Peters: But you will also agree that this Board was established simply because that was not the case in 1964, and had not been the case for the five or six previous years, because the price varies by \$15 to \$20 a ton between September and March; and in some cases there was an additional jump in rail freight between March and June. This is really why the Board was formed.

Mr. Huffman: Mr. Chairman, the agreed rates take care of it in Quebec and the Maritimes to a great degree but we do not have agreed rates in Ontario and the dealers have not agreed to negotiate agreed rates; they particularly have backed away from them for Ontario.

If the situation should arise that a shortage occurs it would be difficult—I want to be perfectly honest about it—because Quebec and the Maritimes are protected by agreed rates which are almost equal to water rates.

Mr. Peters: Would you not agree with our original suggestion, that particularly the Prescott elevators be not loaded with American export grain—what they called export grain—which eventually in the winter, when the price went up so high, they could transfer into an export market in Canada, whereby we were competing with ourselves simply because we did not control that storage facility?

You are saying that the Board still has not got the power to control that storage facility—and this includes boats and a number of other things—then it seems to me we really have not accomplished much and that we have been lucky that the same situation has not recurred.

Mr. McDonough: Within our Act we only have the power to negotiate for storage space. There is nothing compulsory on the elevator operators. We have had excellent co-operation from most of them.

Mr. Peters: This is a government operator.

Mr. McDonough: This is the situation I mentioned. The development of contract rates, or agreed charge rates, into the Maritimes not only took the pressure off the need for building additional storage facilities at Halifax to feed this market, but it also took the pressure off Prescott. Prescott was the second base. In other words, what could not, in the past, be stored at Halifax was stored at Prescott; and the government was picking up the additional freight tab on this. I believe it amounted to nearly \$1 million a year because of this lack of storage.

Two alternatives were available. One was to extend the use of the elevator at Halifax for storage for perhaps a two-month, or three-month period, or try to work out some cheaper alternative. When this matter was discussed with the railways and the mills water competitive rates were established, which meant that the government did not have to go into expanding the facilities at Halifax in the amount of perhaps of about 3 million bushels or \$6 million of expenditure. Besides that it saved the cost of a million dollars a year in subsidies.

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The Chairman: Thank you, Mr. Peters.
I recognize Mr. Lefebvre (Pontiac).

[Interpretation]

Mr. Lefebvre: Dr. Perrault, I have a question which is related to the transportation of feed grain. I saw on the list that you gave us that the Témiscamingue County, they have a subsidy of \$13.60, Gatineau and Labelle \$10.60 and Pontiac \$7.40.

Now, I would like to know who made the decisions on these figures. According to the geography of the province of Quebec, I think that a fair rate of subsidy for Pontiac would be something between the rate paid to the people from Gatineau and Labelle those of Témiscamingue.

Dr. Perrault: Yes, as I was saying a while ago these figures should be re-assessed. In order to do so effectively we have to know exactly the volume shipped every year in each of these countries. This matter is being studied. Of course, there are certain inequalities, but we want work out a system which eliminates as far as possible all disparity between the various countries but there is some disparity right now.

Mr. Lefebvre: Have you had many complaints in this regard?

Dr. Perrault: No.

Mr. Lefebvre: I have had a few.

Dr. Perrault: Well, if you would pass them on to us—

Mr. Lefebvre: Yes, that is why I am asking the question today. Did you say that you are investigating right now.

Dr. Perrault: Yes.

Mr. Lefebvre: And when do you think we can expect to get the results of your investigation?

Dr. Perrault: Well, it will take some time, but I would like to know of any complaints you get from these areas. What are the areas first of all? What are the complaints? Maybe we can make the necessary adjustments right away. You are saying you have reports from Pontiac?

Mr. Lefebvre: Yes, I am the member from Pontiac myself. That is why I ask the question today.

Dr. Perrault: Yes, we will take note of it.

Mr. Lefebvre: You will answer me?

Dr. Perrault: Yes.

Mr. Lefebvre: Thank you.

[English]

The Chairman: Thank you, Mr. Lefebvre. Mr. Gleave, did you have a supplementary?

Mr. Gleave: It is not supplementary. I wanted to make a comment and then ask another question or two.

In Western Canada we have supported the idea of a feed board and the idea of freight subsidy partly because of the need of the eastern growers and partly because we felt that it afforded us a market for our grain. I myself have argued this case in the agricultural forum at Winnipeg with those that took a different view. Now if we are in a position where American corn is going to dictate the price and occupy the market then I suggest our position in the West for arguing for this is considerably weakened.

Dr. Perrault: Our basic philosophy is as you have expressed it—to give some assistance to livestock feeders in Eastern Canada and B.C. and to provide a market for Canadian Western grains. Now it is true, with the inroads that American corn is making into this country, that this in part weakens the equalization process, and we recognize that as a fact.

Mr. Gleave: It was said that feed freight subsidies did not apply to American corn moving once it came into this country. How do you keep it separate? How do you know? Do you follow this through in bond, or how do you achieve this?

Dr. Perrault: Are you talking about Ontario corn to the Maritimes?

Mr. Gleave: I am talking about American corn. I assume that an importer purchases American corn and puts it in stores some place in eastern Canada. How do you know that feed freight subsidies do apply to Canadian corn moving forward?

Mr. Huffman: Canadian corn only is subsidized into the Maritimes. It has gone exclusively by rail with the exception of one boatload of American corn that went into Halifax when they could not get Ontario corn, and we paid no subsidy on that.

Mr. Gleave: I see.

Mr. Huffman: We pay a subsidy on the freight into the Maritimes but not into the Province of Quebec. Now Ontario wheat goes into both Quebec and the Maritimes so that it is pretty clearly set out, you know—we can trace it.

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Mr. Gleave: At one time the Canadian Wheat Board had the right to issue permits for the importation of American corn. Does it still have that right?

Dr. Perrault: No.

Mr. Gleave: It no longer has it?

Mr. Huffman: Nobody has it. It is free.

Mr. Gleave: You say that no one has the right now to issue permits. When did this change take place?

Mr. Huffman: I do not know but it was before this Board's time.

Mr. McDonough: I do not recall it.

Mr. Gleave: The Deputy Minister told me he had answers to certain questions I posed earlier. Could we have them now?

Mr. Jarvis: Mr. Gleave was interested in details on the United States tariff and quotas on feed grains moving to that country.

In the case of Canadian wheat moving to the United States, there is a quota of 795,000 bushels per year, and the tariff is 21 cents per bushel. Related to this is the quota on wheat flour; the quota is 3,815,000 pounds and the tariff is 52 cents a hundred pound.

The area to which I think you had particular reference was feed grains. In the case of barley there is no quota and the tariff is 7½ cents per bushel, in the case of oats there is no quota and the tariff is 4 cents per bushel, and in the case of rye there is no quota and the tariff is 6 cents per bushel.

Mr. Gleave: Does that compare with the tariff on American grain coming in?

Mr. Jarvis: Relatively speaking. You will recall the corn you have been discussing; our tariff on corn is 8 cents per bushel and of course at the present time there is an extra tariff if it is below the support level in the United States.

The Chairman: Mr. Danforth, did you have a question?

Mr. Danforth: Yes. In answer to question posed by two members Mr. Huffman indicated that they had not been able by negotiation to secure agreed rates in Ontario. Would he care to amplify on this, stating the reason for the difficulty?

Mr. Huffman: First, Mr. Chairman, the trade negotiates the rates, with our assistance—we sit in but we are not in the marketing. If we were in the marketing then we would have to negotiate. But the trade itself has negotiated because they use water rates from Owen Sound right into Prescott and all along. They have not seen any great advantage in the negotiations, and I do not think the railroads have seen much advantage of negotiating with them. Simply put, is the railroads and the trade itself have not seen too much advantage to sitting down and wanting to negotiate. Of course when they get into a tight spot then they do want to negotiate. We tried to negotiate space in Goderich and the Lakehead because a lot of that grain flows back up into Northern Ontario. We were successful in doing this. This kept your prices north of North Bay stable with the grain other than came through from the Lakehead. The Prescott area is perhaps going to be a difficult one. It looked as if the grain that was being ordered was not going to be sufficient. We drew the trade's attention to this and, at the present time, the orders have been picking up quite rapidly. I do not predict much trouble there. We are watching the situation closely and advising them.

Mr. Danforth: What would prevent a subsidy payment on corn unloaded at either Goderich or Prescott and subsequently shipped through to Truro, Nova Scotia?

Mr. Huffman: In the first place, there is not available space in the Maritimes to unload boats. One of the problems is that they have to depend on rail rates. They are taking another bin but they want to utilize it mostly for export and Western grains.

• 1635

Mr. Danforth: But if in the course of the winter months a transshipment of corn loaded in Goderich and Prescott from American ships—that is, American corn owned by local dealers—does find a market in the Maritimes is it not subject to the rail subsidy once it leaves the Province of Ontario.

Mr. McDonough: Actually the cheapest mode of transport presently on Ontario corn to the Maritimes is via agreed charge rates from the Chatam area directly through to the Maritimes. This would preclude any advantage to transshipping any United States corn.

The other point is that because of our accounting procedures no corn could be shipped out of Prescott and called Canadian corn unless, of course, it had a legitimate inspection certificate from the area designating it as Canadian corn, or had previously gone into Prescott for storage and transshipment as Canadian corn.

Mr. Danforth: My final question, Mr. Chairman, is on freight subsidy on Ontario corn. Is it correct that the actual subsidy paid on the shipping of Ontario corn into the Maritimes does not apply in any way to any area in the Province of Quebec?

Dr. Perrault: This is right.

Mr. Danforth: Can you give me some reason for this? I am sure that we all are aware that Montreal is one of Ontario's chief markets?

Dr. Perrault: One argument, of course, is that we look at it as a consumer subsidy, not as a producer subsidy. Mr. McDonough can enlarge on that. If there were a subsidy on Ontario corn to Quebec areas it would tend to be a producer subsidy rather than a consumer subsidy. We discussed the question with the Seed Corn Growers Marketing Board—at the time there were some bookings made—and it was argued that that would have an effect on the prices of inventories at the time. Also, the price of United States corn was so low at the time that in order to equalize a greater subsidy than that applying to Western grains into the Province of Quebec would be required. These were some of the reasons that we did not make the recommendation at the time.

Mr. McDonough, do you want to expand on this?

Mr. McDonough: What we attempted to do was to place Ontario corn into the Maritime market at about the same cost as United States or Ontario corn moving into the Montreal market. We had a situation whereby the Maritimes were not able to take advantage of the United States corn as a cheap feed ingredient, were having to use higher cost ingredients and, of course, were having difficulty in competing in their final products.

So this enabled them to get corn at much the same cost as in the Montreal or Quebec area. Also, had we paid it of course into the Quebec market we would be going into a market which itself is building up rather rapidly in production of corn. I believe corn production in Quebec this year is around $2\frac{1}{2}$ million bushels. I think we would have been working against the incentive to expand this production in Quebec.

• 1640

Dr. Perrault: In the years to come in the Montreal region, provided there is proper tile drainage, drying facilities, technical skills and so on, you could very well see a situation where you have 100,000 acres of corn. Actually, it is about 30,000 acres or roughly in that area, so it is going to expand very rapidly because this crop is more profitable than many others in the Montreal region, certainly with respect to oats, barley and all the other feed grains.

Mr. Danforth: Is it not true though, Dr. Perrault, that you are administering a freight subsidy to Western feed grains coming into Ontario—they are produced in Manitoba and shipped into Ontario—and yet where we have corn in Ontario we are not able to get a freight subsidy into Quebec which is one of our chief markets? Does this not seem to be a contrary policy where the two grains are concerned?

Dr. Perrault: We look at it, let us say, with interest and we have to develop ways and means to have equalization. We would have looked at it, let us say, favourably but these arguments tend to deter us from making the recommendation to go into other areas. At one time I felt there might be a possibility of getting a subsidy on Ontario corn outside of the Montreal region, but at the time the price of U.S. corn was so low that you needed a very high subsidy in relation to the subsidy paid on Western grain in order to make that possible.

Mr. Danforth: Elaborating this a little further, I fail to see where the argument regarding seed corn would be a motivating factor; you are speaking of thousands of bushels of seed corn and you are speaking of millions of bushels of commercial corn.

Dr. Perrault: No, but when I said seed corn, I said we met with the organization but when we give these arguments they refer to

commercial corn, definitely. When we met with the seed corn people, we discussed mostly commercial corn, definitely.

Mr. Danforth: So far as subsidy on Ontario corn going to Quebec is concerned, is there perhaps a chance that this whole thing will be gone into again, or has a definite policy now been formulated as far as the Livestock Feed Board is concerned?

Dr. Perrault: No, I do not think this is a permanent policy; we can look at it again to see what is possible.

Mr. Danforth: What will necessitate reconsideration of this problem? An application on behalf of Ontario growers or...

Dr. Perrault: Well, we already have that. Oh, yes; we did receive all these requests from the various associations.

Mr. Danforth: Have you received one this week?

Dr. Perrault: No, not this week.

The Chairman: Thank you, Mr. Danforth. Mr. Whelan has a supplementary or a question.

Mr. Whelan: Yes, it is just on corn. Do you demand that all the corn you pay freight subsidy on in the Maritimes be graded?

Dr. Perrault: Yes.

Mr. Whelan: Do you realize that you are competing with American corn that is not graded?

Mr. McDonough: American corn coming into Canada must come in under a grade certificate, so far as I know.

Mr. Whelan: I mean by Canadian grade standards; no corn that comes into Canada is graded except by request. Do you not think it should be compulsory?

Mr. Huffman: Mr. Chairman, I was under the understanding that it had to carry a grade, but if it is—

Mr. McDonough: No, no; a U.S. grade.

Mr. Whelan: We had the Board of Grain Commissioners before the Committee from which we learned you do not have to grade corn at all, only by request. The grain that comes in from the United States is not graded by our officials. It may be graded by American officials, but not by ours.

Mr. Danforth: And inspected.

Mr. McDonough: Pardon me. My answer concerned the U.S. grade. As you say, it is not graded by Canadian inspectors except by request.

Mr. Whelan: Do you not think that all grain used in Canada should be graded? Corn is the only one, if I understand rightly, that is not graded by the Board of Grain Commissioners, by someone of their staff. It is the most free-wheeling, dealing, grain commodity that comes into Canada and I think our Department of Agriculture has been as negligent as hell in not making sure that corn is automatically graded.

The Chairman: Thank you, Mr. Whelan.

Mr. Huffman: Mr. Chairman, I wonder if Mr. Whelan is aware that there is a grade on corn, if by request, and if corn is better than Grade 1 by request, it can have that on the certificate which is even better than Grade 1. That has only come into force just now.

Mr. Whelan: What I am saying, Mr. Huffman, is that a great deal of corn is used by unsuspecting small feed dealers and other people who buy corn directly and pay perhaps No. 2 Canadian grade price for it. It may be grade No. 7 American corn and they do not know it.

• 1645

Mr. Huffman: I never heard tell of No. 7. I agree with you, other than...

Mr. McDonough: There was some No. 4 in.

Mr. Huffman: I would agree with you.

The Chairman: Gentlemen, unless there are further questions this concludes our questioning of the witnesses and I, on your behalf, would like to express our appreciation to Mr. Jarvis for attending our meeting, to Dr. Perrault, to Mr. Huffman, and to Mr. McDonough for their lucid and comprehensive answers.

Gentlemen, shall Item 60 carry?

Item 60 agreed to.

The Chairman: Shall Item 65 carry?

Mr. Horner: What is Item 65?

The Chairman: Item 65 is the subsidy, \$21.6 million.

Mr. Peters: Before this Item carries, has this been going down because of the operation of the Board?

Mr. McDonough: This subsidy is geared to freight costs and freight costs for rail and truck transportation actually have been on the rise, while remaining stable for water transportation, and feed consumption has been increasing. This figure naturally has been going up year by year. Actually, the only thing the Board could do to improve the rates of subsidy is by negotiation of better types of rates.

Mr. Peters: No, my suggestion, Mr. Chairman, is that the Board's main purpose is to get out of freight rate subsidies altogether by having a stable price facility put into place other than by the rail subsidy program.

Dr. Perrault: Mr. Peters, price stability is one of the objects of the Act. There is also in the Act the object at price equalization. These are the two main objects of the Act really, to achieve price equalization through feed freight assistance.

Mr. Peters: Freight equalization can be obtained, I am quite sure, in the marketplace by having a very high subsidization of transportation. That can be attained, but certainly in the over-all cost of agriculture it is probably not the way we want to provide the assistance. I am sure this was a consideration, that we could at any time bring a winter supply of feed grain seeds into Canada by rail if we are going to pay the subsidy and the dealers do not have to pick up that in their costs. That is one way of equalizing the price, all right.

Dr. Perrault: It would equalize it between Ontario and Quebec, but Quebec and the Maritimes would not have equalization under that system.

Mr. Peters: Yes, but it still produces a stabilization to the consumer; it becomes a cost factor to the operation of agriculture. It was my opinion that this could be accomplished probably by having summer or early fall supplies where the portion of the freight subsidy would not have to apply to bringing in off-season grain.

Mr. McDonough: Mr. Peters, if I might just explain, the subsidy is paid on the movement year round based on the least-cost route whether that be water and rail, water and truck or direct rail. We do not pay special subsidies in the wintertime when stocks are short and this is where we have developed the alternate route of transportation arrangements.

Mr. Peters: But we do pay transportation from Fort William to Rimouski...

Mr. McDonough: All year round, yes. We are attempting to equalize...

Mr. Peters: I would think the Board's position if they had a supply in Baie Comeau would be that the rail costs would be reduced considerably and the subsidy would go down, would it not? I am sure it is cheaper to bring it by rail and boat to Rimouski or to Baie Comeau than it would be to bring it by rail from Fort William to Rimouski.

• 1650

Mr. McDonough: If we can continue, of course, to develop the competitive rail and utilize rail as an alternate mode of transport, it will mean that you would need less stocks in points such as Quebec City or Montreal or Three Rivers, but we do attempt generally to equalize the cost of feed grain throughout Eastern Canada. Therefore, we are paying a portion of the transportation costs on a year-round basis.

Mr. Peters: Mr. Chairman, it just seems to me that one of the responsibilities of the Board is to reduce this freight cost wherever possible. Granted in the over-all structure we may need to keep the CNR in operation but we may have to keep some boat companies in operation that we do not even know the names of. I find it is more economic to keep them in operation than it is...

Mr. McDonough: I think we are attempting to do this by the development of alternate routes of transportation or modes of transportation to be more competitive.

Mr. Peters: Good, good.

The Chairman: Thank you, Mr. Peters.

Mr. Danforth: Mr. Chairman, following the line of thought of Mr. Peters, I just wonder whether Dr. Perrault can give me an indication of where we are going in this freight subsidy. Is it the intention of the Board to work to the end that it will be necessary to pay less and less freight subsidy? Is there any indication by the Board to encourage the development of the new type of grain carriers which would make it possible for loading and unloading to be greatly facilitated and larger amounts carried, with the end in view of reducing the per bushel carriage? Just where are we going in this regard?

Dr. Perrault: What we are looking—and we will have more data as soon as we get a traffic man—to get, possibly after discussion with the interested people in the West, train units from the Prairies to the East and see what savings would be involved in a case like this. This is one of the plans we have under study. Of course, one thing mentioned is that as far as subsidies are concerned we look at the most economical route. It is based on this.

Is what you have in mind the level of the subsidy itself?

Mr. Danforth: Yes. One point that comes to my mind as one of the major problems we are faced with in Ontario in many years is the fact that when the bulk of our corn crop is ready to move by water there are no facilities to put it in because of a first come, first served basis. Is there any attempt being made to assess this problem and to make available storage so that we in Ontario can take advantage of the water rates and not be subjected to the high rail rates and truck rates in our off season?

Mr. McDonough: This depends, of course, on which market you are going into with your corn. There are rail rates which exist today between the producing area of Ontario in and around Chatham and the Montreal market, which would be the bigger market, that are cheaper than you could get by attempting to move this by water.

Mr. Danforth: My point is this: we are handicapped in Ontario. We do not have the subsidy going into Quebec and the Montreal markets. Montreal is our biggest market and we have not the freight assistance available. If we cannot get the water rates, what is the answer? My understanding of the Board's function is to make the maximum use of domestic grains, as well as stabilization of prices.

Dr. Perrault: That is right.

Mr. Danforth: This is, as you stated, the basic philosophy. Where are we going in this regard? What is the answer for us in Ontario, as far as corn is concerned which is our biggest commercial crop?

An hon. Member: Mr. Chairman, may I...

The Chairman: Wait until we get the answers to this one first.

Mr. Peters: Well, Mr. Chairman...

The Chairman: Order.

Dr. Perrault: When we discussed the matter with the associations—of course, this will not cure everything—the recommendation we made at the time was that there was a need to have orderly marketing in Ontario, and that they should build up the necessary organization among the farmers as a first step to having orderly marketing.

Mr. Danforth: Well, as a grain grower I am well aware of some of the problems and I am satisfied that this can *not* be the answer. This *will not* be the answer. We have to be in a competitive position and we are not at the present time.

• 1655

Mr. Huffman: Mr. Chairman, from the Ontario viewpoint again we will not be competitive with the U.S. until we have water loading facilities that will carry corn competitive with U.S. corn and I think what you are driving at, Mr. Danforth, is that the Ontario producer is certainly handicapped by not having water facilities to compete with the U.S. water facilities, and we have to take it by rail. Now, until such time as somebody creates these water facilities we are going to have the same handicap.

Mr. Whelan: Have you recommended it to anybody?

Mr. Huffman: Yes, we have; I have, at least.

Mr. Danforth: Are there any indications of savings on freight subsidy that such facilities would bring about by the utilization of greater quantities of Ontario corn?

Mr. Huffman: Well, let me give you the rates. I think the rate from Chatham to Montreal is about 20¼ cents per bushel. Right across the border, and most of this corn comes from Toledo, it is anywhere between seven and ten cents. If it is going to come in to certain places it might even be negotiated at five or six cents. Now, there is the difference. If they had a water port where this corn could be loaded this side of Toledo and get the same rate there would be 10 cents a bushel difference. It is easy and plain, but somebody has to build the facilities and somebody has to organize the growers to put this corn in position. These two things will have to come about.

Mr. Gleave: I have a supplementary, Mr. Chairman. Is it within the Act or the declared policy of the Board to maximize the use of Canadian domestic grain? Is this a declared objective of the Board?

Dr. Perrault: No, I do not think this is in the Act as such. The Act calls for availability of supplies, price stability and fair equalization of prices, together with enough storage space. If we ever get into marketing when there is a need for it of course, as I said, the people would want to give preference to Canadian products.

Mr. Gleave: But there is no declared objective now?

Dr. Perrault: As such, no. It is a philosophy we can build up, of course.

Mr. Gleave: Thank you.

The Chairman: Gentlemen, shall Item 65 carry?

Item 65 agreed to.

The Chairman: Gentlemen, shall Item 65 consideration of the estimates of the Canadian Livestock Feed Board. What is the pleasure of the Committee? Do you want to carry on until 6 o'clock, or do you want to adjourn for 10 minutes and come back?

Mr. Horner: Who are we going to hear when we come back?

The Chairman: We will then have the Farm Credit Corporation.

Mr. Gleave: If we are going to adjourn I suggest 15 minutes, at least to have time for a cup of coffee.

Mr. Horner: I suggest we carry on right now for half an hour and then quit until this evening.

Mr. Southam: I think we should hear them right away and then, as Mr. Horner suggests, adjourn.

The Chairman: I think in fairness to those who have been tied to their chairs for three hours we should have a five minute recess and come back quickly.

Mr. Peters: Ten minutes.

The Chairman: All right; a ten minute recess.

• 1710

The Chairman: Gentlemen, if we could come to order. Someone close the door,

please. We would like to consider the Estimates of the Farm Credit Corporation, Item 70.

Department of Agriculture
D—FARM CREDIT CORPORATION

- 70 Estimated amount required to provide for the operating loss of the Farm Credit Corporation for the fiscal year ending March 31, 1969 6,000,000

The Chairman: I am pleased at this time to have the opportunity of welcoming the Chairman, Mr. Owen, and I am also pleased, as you are, that he is accompanied by a number of his officials, and I would be happy to introduce Mr. Owen and to ask him to introduce the members of his party. Mr. Owen.

Mr. M. G. Owen (Chairman, Farm Credit Corporation): Mr. Chairman, on my immediate right is Mr. Carr, Credit Policy Advisor for the Corporation. Seated next at the table here is Mr. Ozard, Vice-Chairman of the Corporation, and to his right, Mr. McIntosh, Comptroller of the Corporation. In the rear here is Mr. Jarvis, Assistant Deputy Minister of Agriculture, who is also a member of the Board of Directors of the Corporation. On his right is Mr. Harrison, Supervisor of Farm Services for the Corporation, and immediately on his right, Mr. Sivyver, Executive Assistant to the Chairman of the Corporation.

The Chairman: Thank you, Mr. Owen. I am sure the Committee would welcome an opening statement if it is your pleasure to make one at this time.

Mr. Owen: Thank you, Mr. Chairman. I have a few brief remarks. This is the first appearance of the Corporation before the Standing Committee on Agriculture since the Corporation was formed on October 5, 1959. Since that time we have made about 75,000 loans for a total of \$1.2 billion, and for that reason I welcome the opportunity to appear before the Committee to discuss our operations.

Our legislation provides a framework within which we operate, but of necessity for a program of this nature it provides a considerable amount of flexibility and room for the application of judgment. It is in this application of judgment that we would welcome the comments, suggestions and criticisms that members of the Committee may wish to make.

• 1715

I would like to mention some of the ways in which we go about maintaining the closest possible contact with the farmers whom we serve. First, of course, we have regular contact with other agricultural agencies, federal, provincial and university, and with farmers' organizations. We then have a fairly massive contact between farmers and the members of our staff. We interview in one way or another anywhere from 12 to 15 thousand farmers a year, and go into detail with them with respect to their financial progress, farm operations, their financial circumstances, and the kinds of problem they are encountering. This information sifts through the organization and is used as a basis for ideas and suggestions with respect to our policies.

We have also an advisory committee composed of 10 persons who are either farmers or representatives of farmers' organizations from various provinces across the country. They meet about once a year to discuss policy matters. In addition to this, in each province where the member of the committee is living, he attends a meeting of our own staff for that province. Each year during the winter months we take three or four days when we bring our staff from a province together to discuss the problems we have encountered during the past year, the policies that we are using, and the changes they think ought to be made. We invite members of the advisory committee to sit in on these discussions in order to become more familiar with our problems and our program, to be in a better position to offer us advice at a later date.

We have another method of contact which is, we think, unique for a lending agency. We have established appeal boards across the country with a chairman in each province and members located in various farming areas throughout the province, so that if a farmer is not satisfied with our decision with respect to his application for a loan, he may then appeal to that appeal board composed of active, progressive and successful farmers, and that appeal board may then recommend to the Corporation whether or not we should change our decision with respect to that application. We have found this a very useful contact with the farming public.

The objective of our program, as I am sure you are all aware, is to provide the long-term capital that farmers need in order that Canadian agriculture can be organized into viable units in the hands of competent farmers, and so that they can expect to receive

reasonable returns for their investment and a reasonable standard of living in return for their work and their management skills.

Our role in the total farm credit picture is very significant. If we speak in terms of all kinds of credit which farmers use, during 1967 they used a little more than \$2 billion. That is the amount they borrowed during the year. This includes operating capital, short-term capital, intermediate and long-term. This we provide at about 12 per cent. However, when you come to the long-term credit field, that is, the mortgage type of credit, our estimates would indicate that we probably provided about 60 per cent of the kind of capital that farmers need to organize their farm business, their farm plant. That is distinct from the capital they use for actual operations. So that our role becomes fairly significant in the field.

• 1720

Now to come down specifically to the item in the budget, it is an amount of \$6 million to cover our operating loss. I would like to make it clear that this is not a loss on loans. This is purely a loss on operating. The reason for this is that when the Act was passed in 1959, it established a lending rate of 5 per cent. It established ceilings of \$20,000 for standard mortgage loans and \$27,500 for a supervised loan. In 1964 the amounts of loans were doubled. Any amount in excess of the original amount was to be at a rate which would be an economic rate to the Corporation. It would enable us to pay our cost on borrowed funds and the proportionate cost of operations that related to that additional money.

Over the years the cost of borrowing money to the Corporation has increased while the rate at which we lend has been relatively stable. Our operating costs have increased as we have enlarged our organization very substantially over the years to cope with the very great expansion in our lending activities. I would like to point out that the operating costs as a percentage of the capital which we have loaned, have been declining. They have been going up in terms of total dollars, but as a percentage of the money we are dealing with, they have been declining.

However, there have been losses. The first loss in the first full year of operation, 1960-61, was a little over \$200,000, and for the first three years of operation we had losses which we recovered from the reserve which had

built up and which we had taken over from the Canadian Farm Loan Board.

Since the year 1963-64, our losses have been covered first by a supplementary estimate of the Department of Agriculture towards the end of the fiscal year, and in the past two years and the third year coming up via an item in the main estimates. The actual loss for 1966-67 was \$2.6 million; in 1967-68 about \$3.8 million; and this year \$6 million. Our reserves stand at only \$1.5 million and this is the item from which we recover our losses on capital, our actual losses on loans. These have run from about \$10,000 in 1960-61, up to the last fiscal year just a trifle over \$40,000. This is where we have actually taken a loss on a loan that we have made.

That is a summary of the nature and the reason for this particular item in the Estimates.

The Chairman: Thank you, Mr. Owen. Gentlemen, I have on my list Mr. Lind, Mr. Danforth, Mr. Southam and Mr. Korchinski. If there are others, I will be happy to place your names on the list. I now recognize Mr. Lind.

Mr. Lind: Mr. Owen, you dealt with the item of your net losses in loans. I am looking at page 12 of your annual report. I notice you have an inventory there on hand of 56 agreements for sale. Is that 56 farms? Did you take the whole farm back?

Mr. Owen: That is 56 farms where over the past number of years—some of them dating back a great number of years—we have recovered the farm and have resold it. But rather than giving the purchaser a title with a mortgage, we have sold it to him on an agreement for sale.

Mr. Lind: Thank you, sir.

Mr. Owen: This is an accumulation of sales over a number of years.

Mr. Lind: That does not seem to be a very big loss for the amount of money that you loaned. Do you not think that you are actually screening these applicants fairly hard? Are you getting down to help the common farmer out? Or are you just helping the top level farmer?

Mr. Owen: I could get down to the sizes. I think in the first instance, however, I would like to mention that we are lending on the strength of first mortgages against farm land.

During the ten years that we have been operating, farm land generally has been increasing in value, and therefore when a farmer does find himself in difficulty he is likely to sell the farm himself for more than the amount he owes us. Therefore we do not incur a loss since the maximum loan we can make is 75 per cent of the agricultural value of the property. You can appreciate that in a period of rising land prices, losses are very unlikely to occur. If land prices were going down, our picture on losses would be quite different.

• 1725

Mr. Lind: My chief concern here is with constituents that come to us and claim that they cannot get a loan from the Farm Credit Corporation and that is why I am interested in this very low figure of re-claims and losses. I am wondering whether we are a little too hard on the credit angle of it, a little too stiff?

Mr. Owen: I think there are probably about three answers to that. First, I am sure that you would hear from those who do not receive loans and you can appreciate that in any lending activity there will be some applicants who cannot be accommodated. I suggest that you probably seldom ever hear from those many that we do lend to and I think if you look at page 6 of the annual report, the indication of the growth of our lending operations, you will see the tremendous increase.

The second point I think I should make in this respect is that we must realize that when we lend on a first mortgage and lose money, before we lose anything the farmer has lost his farm and everything he has, because if we foreclose then he has lost everything he has. Now, very often there are situations where we might be able to lend and be relatively sure that by pushing him off the farm we could recover our funds, but if the indications are that he just would not be able to pay us back and if the end result to him would be the loss of his property, I do not think we would really be doing him a favour.

Now, if there are instances as I have said where our decision—and, mind you, these are all value judgments, judgment decisions—seems unreasonable, then that man has the opportunity now to appeal before three farmers and to get their recommendations.

Mr. Lind: Well, that leads to my next question. I see your appeal board fees and expenses on page 20 are up considerably for the year 1968 over the year 1967. Is it a protection for your agents in these areas that rather than take a chance, they throw it over to the appeal Board?

Mr. Owen: No, it is quite the contrary. We make our decision with respect to whether or not we believe we can make a loan based on the man's circumstances. It is then up to him, if he wishes to appear, to ask for an appearance before that appeal board. He can make that appearance without cost to him, other than the cost of his time and any travel involved in going to the meetings, and present his case.

These appeal boards were started only in the fiscal year 1965-66. There were some increased costs of operations last year, although I do not believe there were significantly more appeals during the year. There is not any intent by us to push the responsibility to the appeal board. It is purely to give the farmer an opportunity to sit down and talk with three other farmers and explain his case so that we can determine whether or not we should, in fact, be making a loan.

Mr. Lind: There is not any instruction by the executive, then, to tighten up the amount of leeway the agents can give to provide loans for these people, because in a period of dear money as we have had in the last year or two it is apparent that these border-line cases are those that need help.

If they can get this money at the old farm credit rate which was in effect until a month ago, it is still a lot better than what a lot of them have to pay. They have a much better chance of success than if they are forced out into the open market where they are going to be paying 3 or 4 per cent more, and often 5 per cent more.

• 1730

Mr. Owen: I appreciate this. I would only say that we do our best in the light of the specific limitation set upon us within the Act and in the exercise of judgment to accommodate those farmers where we have reason to believe that they can succeed and repay the loan.

I must mention that in the period of dear money, as you refer to it, or in the period of short supply or higher rates from other len-

ders, we have had to issue instructions during the past year to insure ourselves against such things as borrowing purely to repay other lenders, which is not really adding anything to the productivity of the farm unit but purely replacing one lender by another; some instructions with respect to the maximum size of farm that we might support to ensure that the funds we have will go to assist those who really would suffer if they could not expand, rather than to those who might not suffer so much.

This kind of instruction has been issued during a period when we must ensure that we conserve our funds for those who need them most. These kinds of instructions would be issued, but those are all. As a matter of fact, speaking of our executive officers or our senior people responsible for lending, I think you would find that they would be as often involved in encouraging local representatives to take another look at a situation before they said no, rather than the other way about. Mind you, this is just a matter of balance.

Mr. Lind: Do you have criteria for these agents such as whether they have always issued good loans or whether they have ever had trouble with loans? Is this one criterion used similar to what is used in some other types of industry?

Mr. Owen: No, we do not. We do have a measure of the time used to process loans and various measures of this nature, and we move our men from time to time. We do not go back to a man because a particular loan that he made was, in his view and in the view of his supervisor, satisfactory at that time and later turned out to be wrong.

You must realize, however, that in dealing with our local people the thing we are most concerned about, the thing we would most go back about, is to ensure that we would get a true picture. This is the thing we are most anxious about.

Mr. Lind: I have one parting shot. I do not want to name any specific instance, but I have heard of cases where people have obtained farm credit loans on their farms and invested them in bonds at 7 per cent and had the difference.

Mr. Owen: I suggest that before you accept that as valid you make a very thorough investigation. To begin with, he would be liable to serious difficulty if he did so. Second,

we do not disburse the money directly into the hands of the farmer. It goes for various specific purposes; to buy land, to improve land, to repay other lenders in some instances, and we control the funds to see that they go for those purposes.

Now, I concede that there could be a situation where a father decides to sell the farm to his son and the son borrows money from us to purchase that farm, and the father then invests the money but, after all, that is a legitimate transaction, father to son, and the father's disposition of the funds is his own responsibility.

Mr. Lind: Do they have to reveal their total net assets to you when they do this? They could have another farm.

Mr. Owen: They have to give the total assets and liabilities. If you are aware of any such circumstance I would be most happy to learn about it to investigate it.

● 1735

Mr. Lind: Thank you, very much.

The Chairman: I will recognize Mr. Danforth, Kent-Essex.

Mr. Danforth: Thank you, Mr. Chairman. Before I pose my questions to Mr. Owen, I would like to go on record as saying that I think he and his Department are to be complimented on the fact that they have had jurisdiction over this legislation for nine years and it is only now that they are coming before the Standing Committee, and this on a routine basis.

Certainly the administration of this particular Act has proven a real godsend to the farmers of this country. I should also like to add in passing that the members very much appreciate the fact that when some applications are sent down and a reason is requested by members of Parliament, I personally have found that the answers have come back and, although not revealing any confidence, have given very logical reasons why these loans could not be entertained. I wish to say that this action and courtesy by the Department are very much appreciated.

Mr. Owen: Thank you, Mr. Danforth.

Mr. Danforth: My question, Mr. Owen, is that very often we run into difficulties when a transaction is almost completed but a final acquiescence by the Department is withheld

due to the fact that an assessor is unable, because of frozen land or some other problem, to make what is considered an adequate assessment of the land itself.

Is any consideration given or can a method be devised so that these transactions can continue in an orderly manner, because in some areas of Canada it is often quite necessary for the success of a crop for an owner to have early possession in the spring. I have found that because of a backlog of work it is almost impossible for the Department to process all of these once the weather breaks. Have any steps been taken to eliminate this bottleneck?

Mr. Owen: This has been a recurring problem for us for many years. We have taken many steps to try to overcome it. The problem really relates to the fact that if we are going to administer credit in a productive way to ensure that it is doing the best for agriculture, we have to consider the managerial ability of the farmer as a fairly major factor in our decision.

When the land is covered with snow to the extent that you cannot see it you have very little opportunity to know how well he manages his farm. Now, we do have aerial photographs of all of the country in the hands of our local man. He has an aerial photograph of each farm; he has soil maps; in some areas he has yield information, and this sort of thing, but none of these can answer the question of how the farmer is using that piece of land which is basic to his enterprise.

Now, we do make appraisals in some areas of the country pretty well all year long. We do make appraisals for some kinds of enterprises where the land is not important, such as a greenhouse or hogs or poultry or this sort of thing where approval is not based on land itself. In other cases we conscientiously feel that we cannot make a proper assessment, so we must wait until the snow goes.

However, as our supervision workload has built up we have increased our staff and we have done a lot of work in arranging so that as soon as the season opens in the spring we have considerably more staff now to get to work on initial applications and we are now able to catch up very much earlier with the backlog of applications that have built up during the winter. In our early days we were lucky if we were caught up before we were snowed in again. We actually were into late August before we would be caught up with the spring rush. This year we caught up to all

the current applications early in June, so we have made a great deal of improvement in this direction. I admit that it is still a problem for those farmers who do not decide to buy land before the snow comes. If they come in before the snow comes and our man realizes that the appraisal season will end shortly, he will go out and examine the land right away so we can go along with it.

• 1740

Mr. Danforth: Thank you, Mr. Owen. I have a companion question to my last one. Although I have never been too frequent a visitor to the local offices I realize that the appraising of land and the handling this type of loan is in itself a very specialized business. Is it possible if the secretarial staff was increased that it would make the personnel available for more of this specialized type of work, that it would free them for more field work as contrasted to office work?

Mr. Owen: This is again a possibility. We have about 127 offices across the country and we do not have secretarial or stenographic help in all of these offices. The addition of this number of staff would be quite a cost item, and this item would be \$7 million rather than \$6 million. However, we have used other methods. At first we felt that this was a particular man's job, he had particular specialized training in it, and therefore, through every means possible, we reduced to the lowest possible extent the amount of clerical work he would have to do. For example, he would not be involved, with respect to our current borrowers, in following up on their taxes, insurance, collections, or anything else. We are shortening our reporting forms so that as much as possible the time required to make them out will be shortened up as well. We are trying to keep this part of his work down. If we put a secretary in each office we find there is a tendency for paper work to increase, and we find these men are spending more and more time telling their secretaries what to do than if they just gave them a little bit to do and let them get it done by themselves.

I appreciate that this is not the complete answer, but it is a question of choosing between whether we should put an additional secretary into each of these 127 offices or try to keep the paper work away from them. I do not like to see these people doing paper work when they would be so much more valuable if they were doing the other work.

Mr. Danforth: This is my concern. One further short question, Mr. Chairman, and then I will be prepared to pass.

Mr. Peters: Members of Parliament as well.

Mr. Danforth: Mr. Owen, a very few years ago there was a great deal of concern by Members of Parliament, over the fact that in certain central points a tremendous backlog seemed to be building up. I found that the wait in the Toronto Office was indeed of long duration. However, lately I have found that this is not so much a factor, the clearance is much more rapid and much more satisfactory. Can you give us any indication of what steps were taken to bring about this change, which was a very agreeable one as far as the applicants were concerned.

Mr. Owen: I think I could refer to two steps. In our initial year we were in a very difficult situation and we appointed a new manager. We then appointed some additional people to assist him. We also gradually got more staff because in the early years we were overloaded.

One of the other big difficulties was the time it took to do the legal work. We had a legal agent in each county of Ontario and solicitors in our office in Toronto. One of the things we did was to remove all of the solicitors from our office in Toronto and depend entirely on the local agent. This has had a very significant effect in reducing the time factor.

Mr. Danforth: Thank you, sir. I pass.

Mr. Peters: They changed the political appointments from the Conservatives to the Liberals.

Mr. Danforth: You do not have to tell the truth all the time!

Mr. Owen: I might mention that the lawyers to whom I referred who were in our office were actually employees of the corporation. They were not appointments in any other way.

Mr. Danforth: We are aware of that!

• 1745

The Chairman: Mr. Southam?

Mr. Southam: Thank you, Mr. Chairman. I want to associate myself with Mr. Danforth in complimenting Mr. Owen and the members of his corporation on the administration of this

important board.—As Mr. Owen said, it is a matter of interest to note that it has been nine years since they have appeared before a committee and this, of course, speaks for itself.

Of course, I think this revolves around the fact that we have an administrative body within the association.

For instance, I am looking at the report of your district and field officers, your appeal board, and so on, which makes it possible that you can solve a lot of your problems within the day-to-day routine of administering the Act.

I was interested in the appeal board section of this legislation, and I have a question or two on statistics. I would like to ask how many appeals by loan applicants have been made to your board since its conception, and how many appeals have been granted. This would indicate something to me about the efficiency of the inner workings of the Board.

Mr. Owen: The appeal board first went into operation in October of 1965. Since that time they have heard 225 appeals. In 173 of those cases they confirmed to the corporation that our decision was correct and we should not make the loans. In 45 of the cases—and I do not have this figure broken down—there were some instances where they recommended that we should make a loan, which we then did, and in other instances they recommended an alternative amount or an alternative arrangement of using the loan. In many of these instances we made specific suggestions to the farmer, which he did not feel he would accept from us as public servants. However, when he appeared before a board of three farmers and discussed the situation with them they were able to convince him that this was in his best interests and he accepted it. So, there were 45 who were successful in getting either the loan they applied for or an alternative one. The balance of them are pending.

Mr. Southam: Coming back to a question raised by Mr. Danforth with regard to the appraisal of land, in arriving at your yardstick as far as land values are concerned how do you arrive at this criteria? Is it based on provincial land value; is it over-all, dominion-wide, or is it more or less left to the discretion of the field officers? What yardstick is used in this connection? Sometimes you find a difference of opinion in this respect.

Mr. Owen: Of course, value of land is always an opinion. There are even differences between vendors and purchasers. I would say that the only person who can estimate the value of a farm is the man who goes out and looks at it, nobody else. However, in order to ensure that there is relativity in treatment of farmers and relativity in the application of judgment, we do certain things, and this may take me a few minutes to explain. Agricultural value is the value which we believe a farmer should pay for his property and on which he can expect to get a reasonable return on his investment. In other words, we do not base our values on what it might change hands for at a particular time but on what kind of income he might expect to receive from the farm. I appreciate that if we did this in the case of every farm it would burden us with a complete analysis of income and expenses and details of each farm, and this is a very, very long job.

What we do is establish what we call benchmark farms. We take the kind of farm that is most common in that area and make a thorough study of it. We may spend a week or ten days or more in doing this. We even keep records of income and expenses for future years on that farm and on this basis we establish a sort of a benchmark or a point from which the local appraiser can make comparisons when he is looking at other farms. The value is established by the man who visits the farm but he has this well established benchmark as a basis against which to measure this.

Mr. Southam: Would this be one of the areas where you would find that possibly most of your appeals would revolve around a difference of opinion on land values, or what would be the areas in which you would find the most difficulties? I am thinking that perhaps we could help you with some suggestions to help you.

• 1750

Mr. Owen: I am afraid I have not analyzed this in any great detail, but I am fairly certain that the largest number of appeals are from those people whose existing debts are more than we believe that farm can carry, or where we believe the managerial ability of the farmer is such that he cannot make a living from the farm and pay back the loan he wishes to get from us and, in many cases, even the loans he has already received from someone else. I think these were the two key areas where appeals were made.

Mr. Southam: I was interested in Mr. Lind's line of questioning that commenced our deliberations, which was with respect to possibly a number of people in the small farm category that perhaps have applied, but after getting advice from your people, the field officers, and so on, they felt they could not qualify, and yet with the trend that we have in this agrarian revolution that is taking place towards a larger family farm and more economic unit I would like to tie the two together. We hear so much about family farms and economic units, but I think they are still one and the same thing, and we are only trying to develop them into a situation where they are viable, and I was interested in this particular area. As I said earlier, though, I think you people are doing your very best. I know that in my particular riding I am happy to say that I have very few complaints about the administration of the Act.

I was wondering if, due to the backlog of applications that must have piled up because of the shortage of funds over the last year, you are getting along pretty well in processing these applications, or is there a very big backlog?

Mr. Owen: As a matter of fact, I think the backlog is less than it has been at any time since the corporation started. You can appreciate the fact that legislation was before the House to amend the interest rates, and as all of our staff were born or brought up on a farm and with very close associations with it I can assure you they made sure that as many of these applications as possible were processed and the loans approved before the legislation was amended. So, our backlog is almost negligible.

Mr. Southam: Could the number of applications not be related to the increase in interest rates now, or would this not be so?

Mr. Owen: I think the fact is that our men made sure they processed them just as quickly as they could. In the middle of November I think our figures indicated that on the average for each member of our staff there was less than one application pending across the country.

Mr. Southam: That is all I have. Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Southam. I recognize Mr. Korchinski (Mackenzie).

Mr. Korchinski: Mr. Chairman, I will start off with this question. In regard to a benchmark farm, is this one of the farms that probably has a loan on it and you will have the information, or do you go to some farmer in a particular area and say, "Would you allow us to look into your books?" and so on?

Mr. Owen: It might be either one. We might use a particular borrower who is already keeping accounts for us on our electronic farm accounting system. If in that area we do not feel we have a farm that is really typical of the kind we are dealing with most of the time and where we have this record, we may go to another farm. I would suspect that most of the benchmarks are farms where the farmer already has a loan from us.

Mr. Korchinski: How wide apart are these benchmarks in the West?

Mr. Owen: I would suspect from Saskatchewan, to give you an example, we would have about 50 or 60 of what we call key benchmarks, and then about 130 or more of what we call satellites. It is the key ones that we make the biggest study of and then we look at the satellites, which vary either in size or kind of enterprise or location.

Mr. Korchinski: I want to go into another area. Is there any particular area where the backlog is greater? That is to say, in Western Canada, Eastern Canada or the Maritimes?

Mr. Owen: Are you referring to a backlog of applications?

Mr. Korchinski: A backlog of applications.

Mr. Owen: Waiting to be handled? No. As a matter of fact, there are very few of them right across the country. As of November 15 we had 29 in British Columbia, 27 in Alberta, 59 in Saskatchewan, 11 in Manitoba, 55 in Ontario, 66 in Quebec and 6 in the Atlantic provinces.

Mr. Korchinski: And that is the amount—

Mr. Owen: By the way, that is the day on which the interest rate changed.

• 1755

Mr. Korchinski: Yes. That is the backlog which will carry through until the next year, or do you have some further applications which you—

Mr. Owen: Oh, we will receive further applications, and wherever we can we will continue to make appraisals.

Mr. Peters: I have a supplementary question. Has there been any drop because of the increase in the interest rate?

Mr. Owen: The rate changed so recently that—we really do not have any information. I heard of a couple who came in and said, "Why did we not get our loan a week ago? I am sorry I did not apply earlier." However, I have no real indication of any as yet in order to indicate any change.

Mr. Korchinski: Would you be prepared to make any kind of a prediction as to what is going to happen? Do you think the demand will taper off as a result of that?

Mr. Owen: I think fewer people will borrow at 7½ per cent than at 5 per cent. I suggest to you that in some of these cases it will be because they can get their financing adequately elsewhere. For example, a father selling to his son may decide to take back a mortgage and finance it himself when he would not have done so if the son could borrow at 5 per cent, this sort of thing. There will be some.

If you could project for me what crops, markets and prices are going to be I can give you better projections of demand. I think these are far, far more significant, the feelings of optimism or pessimism in the minds of the farmers at any particular time. Our indications are that generally speaking—now, this is not for all farmers actually—they are concerned about being able to get the money to expand their unit more than they are about the specific interest rate that they have to pay to get it.

Mr. Korchinski: If somebody comes in with a straight application for a loan of \$15,000, can he get it on the Farm Improvement Loans Act under present conditions?

Mr. Owen: Of course, we did not lend very much on farm machinery anyway. The whole thing will depend on the extent to which lenders will come into to lend the land on 10 to 15 years at 7.75 per cent. This will make a difference in our future demand.

Mr. Korchinski: I wonder whether you could give me a rough idea of the function of the advisory board that meets every year and to what extent they make recommendations to you.

Mr. Owen: The functions in accordance with the Act are to advise the Corporation on

such questions as may arise under the Act as may be referred to it by the Minister, or by the Corporation. In actual practice, we give them a fairly free-wheeling opportunity. We will present problems to them. We would present problems to them with respect to changes that may be advisable in the legislation or the regulations or the policy. For example, one key area where they were helpful to us was in our problem of whether we should or should not lend to integrated poultry operations; at what stage is a man integrated and at what stage is he not integrated, and they were very helpful in arriving at a reasonable basis by which we could distinguish between where we were lending really to help the processor who was having broilers raised, for example, and where we were lending to help a farmer, this is one thing and there are many major policy items. We do not get them involved in individual loan decisions, but matters of general policy.

Mr. Korchinski: In other words, this is more or less a policy decision which is handled then by the Minister himself?

Mr. Owen: Some policy recommendations are within the scope of the Corporation's operation. I might mention that another valuable contribution is when the individual members attend our staff meetings to participate with us in our discussion of the problems. This is where they have been very valuable.

Mr. Peters: It is six o'clock, Mr. Chairman.

Mr. Korchinski: I have a few more questions here but...

The Chairman: I think we should complete...

Mr. Korchinski: Have you any prediction of the probable trends in land values in the future?

Mr. Owen: Are you referring to the Prairies now, or Canada as a whole?

• 1800

Mr. Korchinski: Well, all right, take the Prairies.

Mr. Owen: If you take the long view, I suggest that in the long term land values are not likely to come down. There is likely to be an increase in land prices equivalent to the decrease in the value of the dollar and possibly more, but here I am crystal gazing so far as the future of agriculture is concerned.

In the short view, I think we have seen during the past few months a decrease in the value of land on the Prairies and I think the extent of the continuation of this will really depend on what happens with respect to crops and markets.

Mr. Korchinski: Is it absolutely necessary to take in all the titles when that person makes application for loan? If he has, say a loan of \$15,000, is it absolutely necessary to tie up all his property for a loan of that size?

Mr. Owens: No, it is not. As a matter of fact, we do not.

Mr. Korchinski: You do allow him a certain amount of leeway?

Mr. Owens: Yes; I would like to clear this one point. We base the value, as I indicated earlier, on the agricultural productive value which, right at the moment in the Prairies, happens to be considerably less than the actual market value, because the market value is determined by farmers who wish to buy a quarter or a half to add to their farms, which is quite a different thing.

Our lending value is somewhat less. We must have security to the extent that our loan does not exceed 75 per cent of the value of the security which we mortgage and this is not its market value but its productive value.

Mr. Korchinski: Have you refused applications because the holdings of the operator are so large that you felt that he could perhaps finance his operation somewhere else; that is, not go through your Board?

Mr. Owen: Yes, a considerable number. We have refused them on the basis that either they can finance it elsewhere or because we do not feel we should be using public funds to assist them in expanding further.

Mr. Korchinski: Do you think this policy will change as a result of the recent amendments?

Mr. Owen: I would be speculating here. I would say, probably not. I think we have to look at this aside from the question of whether there was a subsidy. There is a question of the total amount of public funds we may be using and the thought that public funds really should be used to help those who need it most.

Second, there is only so much land and if we assist very large operators to go out on the market and outbid the smaller operators

because they can offer all kinds of security, we would make it much more difficult for us to assist those fellows who really need to get land to get their farms bigger, so this is another reason why I would suggest this policy probably will not change.

Mr. Korchinski: I have two more short questions put I am prepared to wait until later if you wish.

Mr. Owen: I will try to shorten my answers if you wish.

Mr. Korchinski: Concerning refinancing, do you turn down all applications for refinancing? It may be just a matter of life and death for that farmer; he may be under pressure from where he got the loan before and this may be just his only way out.

Mr. Owen: No, we do not turn them all down but if he is asking for refinancing and, as a matter of fact, the reason he needs to refinance is because he is not able to produce enough income to meet his obligations, we then seriously question whether we should. In other instances where the only purpose of borrowing this money is to pay off another lender because he may save 1 or 2 per cent interest, we would hesitate to do this when we are in short supply of funds.

Mr. Korchinski: I have just one more question concerning assessment. Having assessed a parcel of land, do you reassess it and, concerning aerial photographs, are these up-dated occasionally?

Mr. Owen: Aerial photographs are taken in a mass survey and we get the latest series as it comes out.

Mr. Korchinski: Do you reassess property? If you had assessed some land five years ago would you reassess it now if an application were made on it?

Mr. Owen: Absolutely.

Mr. Korchinski: In all cases you do it all over again?

Mr. Owen: That is right, if it is more than two years since the last time we appraised it.

• 1805

Mr. Korchinski: That is all. Thank you.

The Chairman: Thank you, Mr. Korchinsky. The meeting will adjourn until eight o'clock sharp.

EVENING SITTING

• 2006

The Chairman: I think we could begin our meeting. I recognize Mr. Douglas (Assiniboia).

Mr. Douglas: Mr. Chairman, I want to add a few words of commendation for the Farm Credit Corporation. They have done a wonderful job of work in the last number of years that they have been operating and I want to particularly thank Mr. Owen. I have had occasion to talk to him on the telephone once or twice and he was always very cooperative and willing to answer questions. In fact, I am going to repeat one of the questions that I asked him on the telephone. I hope he will forgive me.

I think the answers deserve of being put on the record. As to questions, I have a few here and they are somewhat unrelated. I have put them down as they occurred to me during some of his remarks at the beginning and some of the later questions.

First of all Mr. Owen mentioned the objective was to create viable farm units through the agency of the Farm Credit Corporation. Mr. Owen, is there not a secondary objective which maybe much the same, but which I think is very important and that is the passing on of farm property from one generation to the next. This might not involve increasing the size of the unit at all, but just passing it on.

Mr. Owen: Yes. This, of course, is another objective or use of long term credit. You will recall I said that the idea of financial assistance is to create viable units and place them in the hands of competent operators. It is a natural process in that it is passed from generation to generation to maintain this management and certainly there is a transfer. I must say, however, that, by and large, young farmers, particularly on the Prairies are getting into agriculture by parts rather than buying complete farm units initially.

Mr. Douglas: I was interested in these appeal boards and part of the question I had in mind has already been answered in answer to Mr. Southam. I think the figures you gave were that there had been about 225 appeals over the years and that approximately 45 of them had been allowed, at least partially. However, just to go a little bit farther on that, how many loans or applications have been turned down?

Mr. Owen: We do have figures on that. I must preface this remark by explaining precisely what an application is. Years ago a man made an application by mail and that was an application in the literal sense of it. Since the operations of the Corporation a man wishes to make an application gets in touch with our man in the office. Very often people who come for an interview are people whose principal occupation is something else; they are not farmers and you have to explain to them then that they are not eligible. So we do not just take an application. We explain that they are not eligible.

• 2010

There are others who think that the Farm Credit Corporation since it does not have the name "Federal" or "Canadian" in it is another type of finance agency such as Household Finance Corporation or some other corporation, and others who think that our motive or operation is to provide short or intermediate term credit. Of course, there is a number of these people and we explain what we can do and what we cannot do and try to guide them to those people who can meet their needs. There are others who for various obvious reasons would not be able to get a loan and these are discussed and we say, "Well, we do not think you can get a loan." If it is obvious that they cannot get loans we tell them so and suggest that they should not apply. Some of them say, "Well, we would like to apply anyway." Then they have that perfect right to apply if they wish. If there is doubt, of course, we do take an application and make an impression.

This is a preface to the question and I am talking about applications where they have specifically completed an application and paid the initial \$10 application fee. In the 1967-68 fiscal year we received 13,699 applications and approved 11,954 loans. Out of those who did not get loans there were 909 who either withdrew their applications or were rejected before we actually appraised the farms. 1,443 either withdrew their applications or were rejected afterwards. I am sorry I cannot tell you how many withdrew and how many we rejected. On occasion they find that, for example, the conditions of the loan are such that they cannot go ahead with it, or the vendor who was going to sell them land has changed his mind, and other things. So, there are a number of withdrawals in those rejections.

Mr. Douglas: Are the people who are rejected made aware of the fact that there is an appeal?

Mr. Owen: Those who oppose our rejection. We do not say to every man we reject "This is really only tentative, and you can appeal". However if they feel strongly about it, we tell them, when they question our decision "You have a perfect right to appeal". Also, as a result of the amendments to our legislation, we are reprinting the brochure we give to each farmer outlining the provisions of our legislation and in that we are including a paragraph indicating that they have a right to appeal our decision.

Mr. Douglas: You made a comment in answer to another question that you felt that land prices were going down possibly on the Prairies, had receded a little bit from the peak they reached maybe a year ago. Has the number of applicants for Farm Credit Corporation loans decreased in the last year in Saskatchewan? Could you tell us the number of applications you had in this past year and the previous year—just for Saskatchewan?

Mr. Owen: Yes, I can give you the figures. Actually last year up until November 15, to make these comparable, we had received 3,718 applications, and this year, as of the same date, 2,865 applications. Now, this is not only Saskatchewan; there has been a decrease in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

Mr. Douglas: Are the figures readily available? Could we have them for all provinces? You could add them later.

Mr. Owen: I have them right here. They are not in the annual report—

Mr. Douglas: No.

• 2015

Mr. Owen: I have them here. I can give them for each province if you wish. This is the total applications for appraisal up until November 15 and includes those we received during last winter that were building up for the spring. I will give this year's first and last year's second: British Columbia, 376 versus 541 last year; Alberta, 2,105 versus 2,850 last year; Saskatchewan, 2,865 versus 3,718 last year; Manitoba, 984 versus 1,261 last year; Ontario, 1,644 versus 2,103 last year; Quebec, 1,479 versus 1,685 last year; the four Atlantic Provinces grouped together, 296 versus 328 last year.

Mr. Douglas: There is a fairly consistent reduction all across Canada, then.

Mr. Owen: Yes, and certainly with respect to the amount of money asked for. In fact, in the Atlantic Provinces there were thirty fewer applications and the amount lent is up 8 per cent. In Quebec it is down 1 per cent. The rest of them range from 17 to 29 per cent decrease.

Mr. Douglas: Have you the total for all provinces there?

Mr. Owen: This year 9,744 applications as against 12,486 last year, and if you wish this in dollars, excluding those that are still on hand as some of those applications have still not been processed, at November 15 we had approved \$188,657,000 this year against \$232,438,000 last year.

Mr. Douglas: Do you find that the present maximum level of loan is large enough to take care of the demand?

Mr. Owen: The maximum prior to the amendment of the act, generally speaking, was about maximum for the individual farmer excepting those, of course, who are on a larger size to whom we do not lend. It was not, however, large enough where two farmers were working in partnership. We saw situations where two farmers working in partnership, only being eligible for \$40,000, would, in effect, in order to get the capital they needed, dissolve their partnership so that they could each get a loan because our limit was tied so much to the farm rather than so much to the farmer.

Mr. Douglas: The new amendments to the act will allow each one of those to get the maximum?

Mr. Owen: It will allow the two of them together as a joint farming enterprise to get up to \$80,000.

Mr. Douglas: And if there were three of them, they could get \$100,000?

Mr. Owen: One hundred thousand dollars.

Mr. Douglas: You mentioned something from time to time about loans being restricted to various categories of farmers, depending upon their net worth and so on and so forth. Has there been any changes in those regulations recently?

Mr. Owen: No, excepting, as I indicated this afternoon, because of the pressures on our capital which is billed at a much lower rate than elsewhere, and because of the short-

age of capital generally, we have been somewhat more reluctant to lend to the larger farmers this year. In other words, we have imposed a somewhat lower ceiling than we would have imposed last year for example.

Mr. Douglas: My feeling in this matter, for what it is worth, is that the restrictions should be fairly severe on the kinds of farmers who should be able to get this money. It should be restricted to those mostly in need. By giving it the wider distribution it has forced the price of land up and this makes it that much tougher for the smaller fellow and the younger fellow to get going.

Mr. Owen: I tend to agree with you, sir, but I would mention that the size of farms that we are lending to on the average are not significantly different than the average size of farms in the provinces.

• 2020

Mr. Douglas: Well, that is fine. I hope the trend is not making it easier for the big fellows to get it.

Mr. Owen: We are a little tougher this year.

Mr. Douglas: Good enough. There is a bit of a problem, I understand, with farmers who may have a loan already under the old rates of the Farm Credit Corporation, the old rate of five per cent, and who may still owe some on that and want to make a new loan. What happens then, if they are approved for another loan?

Mr. Owen: I would not want to go into the mathematical calculations involved in this, but if a man has, say, \$15,000 payable at so much per year for 15 years at five per cent and he wishes to borrow another \$25,000 for 29 years at 7½ per cent, we would make one new loan for the total amount. It would pay off his old loan: it would include the new funds; it would be put over the 29 years but the 7½ per cent rate would be reduced to give him the full value of the lower interest rate that he has on that \$15,000.

Mr. Douglas: Thank you very much, Mr. Owen. Mr. Chairman, those are my questions.

The Chairman: Thank you Mr. Douglas. We recognize Mr. Peters, Timiskaming.

Mr. Peters: I pass.

The Chairman: Thank you. We recognize Mr. Ritchie, Dauphin.

Mr. Ritchie: My questions Mr. Chairman are a little more general as I am more interested in general matters. I presume the Farm Credit Corporation provides the largest capital input, as we call it, into the farm loaning business by far, does it?

Mr. Owen: Only if you are referring to longterm capital, sir. Banks put in a lot more capital than we do, but for mortgage credit we actually provide, we think, about 60 per cent of the long term capital in Canada.

Mr. Ritchie: Where does the other percentage come from?

Mr. Owen: A significant amount of it comes from some provincial agencies. There is some from the Veterans' Land Act, some from the Industrial Development Bank, although a relatively small amount, and a fair amount from private individuals. It is very difficult to get any accurate figures on the amount from private individuals, of course.

Mr. Ritchie: Well, really what I am getting at is that for the provinces, yourselves and the Industrial Development Bank, the terms are approximately the same are they not? The terms and the principles which govern the provinces and the Industrial Development Bank are largely like your own. Is that right?

Mr. Owen: The Industrial Development Bank loans have no ceiling, they lend to larger enterprises, their rate is very much higher and their terms of repayment are very much shorter.

Mr. Ritchie: Surely.

Mr. Owen: Provinces vary quite a bit from one to the other, but generally speaking they are somewhat the same as ours.

Mr. Ritchie: Do you think that there is enough capital input into farming to retain it as a viable industry and in good shape? How do we compare with, say, other western countries, Americans and so on?

Mr. Owen: The total debt of farmers in relation to their assets in Canada is very similar to that of the United States: it is about 18 per cent. Their debts amount to 18 per cent of their assets. That is for farming as a whole. In some areas, in some instances, there has been too much capital put in. In other instances, there may be a shortage. I really think that one of the problems is that we have been lending, as you know, at five per cent and we are a mortgage lending agen-

cy, and therefore, the tendency is to, when someone is looking for a low-rate loan to come to us and we are essentially for long-term credit and for building up and expanding the enterprise. I suggest that in many farm businesses greater marginal profits, or greater returns could be obtained by the input of more production capital, of shorter-term capital and that this may be the kind of capital that in many farm businesses is most required.

However, we must remember that the input of this kind of capital must be tied fairly closely to a real good knowledge of the farming business by the farmers and it is a dangerous practice for someone who is not familiar with this particular kind of enterprise, where he is changing enterprises, to go too far. I do feel that there is room for more production capital in agriculture generally.

• 2025

Mr. Ritchie: I have heard it suggested that perhaps in contrast to the Americans, we may be doing too much, what we call, extensive-farm farming rather than intensive farming, as you have just mentioned when you said that perhaps we are buying too much land without putting enough into the machines to work on it. Would this tend to bear this out or would you suggest this is possible?

Mr. Owen: I was not wishing to suggest that we were putting too much into land and not enough into machinery. I was really suggesting that we may be inclined to think more in terms of putting money into land than into the other production inputs. I am thinking of fertilizer, seeds, pesticides and production input as distinct from actual machinery.

Mr. Ritchie: In other words, you are suggesting it may be a little bit out of balance.

Mr. Owen: I am supporting your theory or your belief that we may be tending towards extensification rather than intensification although in saying this I have to qualify it by saying that the same situation does not exist in all parts of the country. In some areas land ownership, and the expansion of acreage is not nearly as significant to the farmers as it is in other areas.

Mr. Ritchie: I was merely seeking information. I have no real opinions on this.

I notice the insurance companies, I believe the Royal Bank and one or two others are

getting into the mortgage field. Is that not correct? I know of one insurance company that is in it in a fairly big way.

Mr. Owen: I doubt very much that the Royal Bank is getting into the farm mortgage field.

Mr. Ritchie: They have hired farm experts.

Mr. Owen: Maybe some insurance companies are but I do not think the banks so far are getting very far into the mortgage field.

Mr. Ritchie: I may be wrong, but it is my impression they are making plans and they have hired some agricultural people.

Mr. Owen: I have been talking to their agricultural people about the new men they have hired over the last year or so and they indicated they were really primarily concerned with the production and short or intermediate-term credit and not particularly anxious to go to loans much beyond five years.

Mr. Ritchie: Do you think if they are moving into this field that there is a place for what you might describe as a sphere of influence for each of you in the long term, helping out the young fellow getting started? Can you foresee defining spheres of influence or will they fall naturally into this?

Mr. Owen: I think the farms to whom we would not lend because they are too large might be a natural field for those agencies. I am not sure of the extent to which the agencies are going to be willing to engage the kind of staff that is necessary to serve farm mortgages unless they could be assured of a fairly substantial amount of business. I think the whole problem in lending to farmers, if you wish to refer to it as a problem—we think it is a pleasure—is that you must have staff who know farming and many of these agencies would find it difficult or expensive to acquire the kind of staff they need unless they were going to have a large enough volume of business. I would say that the fact that we will not lend to the larger ones leaves a natural field for them and possibly in time, when there is less difference between the rates, we might see the opportunity for breaking this sphere into different fields of responsibility.

I would like to say one other thing in respect of this. As I indicated, we probably provide about 50 per cent of the mortgage credit

to farmers. I really feel that it may be, in fact, desirable to farmers to have alternative places to go to shop for credit. Credit from one agency or one institution leaves the farmer as well as the lending agency with the feeling that this is the only road, that you either make it or you do not make it. I think alternative sources may be a good thing providing that we can be assured that the alternative sources are going to be people who know how to, and can, service farm lending.

Mr. Ritchie: There has been some discussion in the western papers and I presume in them all about the new estate taxes and so on whereby farmers are going to have more difficulty—I think it is a problem anyway—in passing from one generation to another. While I know very little about the proposed estate changes, I understand that in the so-called middle—\$100,000 to \$200,000—farms, the estates are more substantial. Do you suppose this will increase pressure on you people for loans? Do you run into this now in any way?

• 2030

Mr. Owen: To tell you the truth, we have been working so assiduously in getting ready to put our new legislation into effect that we have not yet thoroughly studied the implications of the proposed estate and gift tax amendments. There is one thing within our recent legislation, I think, which will help to a certain extent. A number of farmers, in endeavouring to transfer farms from one generation to another, have found that it is quite difficult to transfer the farm itself, and a great number of farmers are incorporating so that a farm can be bought by a son share by share rather than piece of land by piece of land. We now have the facilities to handle this sort of thing so this may ease, somewhat, this transition from one generation to another.

Mr. Ritchie: I have one final question. As farm capitalization is so high now, are we arriving at the stage where the young farmer particularly, faced with capital repayment and income tax, does not have enough money to live on or carry on? The alternative is at least to go to the city and get a job where his capital is already supplied for him by somebody else. Do you think this is a factor and that we will have to take something like this into consideration in the future?

Mr. Owen: I can foresee it as being a real difficulty. I suggest that there is difficulty in selling farms to new purchasers; it may have an effect on land prices with moderate rates

in order to make it easier. I am not saying that this is any real answer, though.

I will agree with you that a really large part of the increase in capitalization, while part of it has been from larger farms, has been from the increased value or the increased market price of existing farms. This is brought about as a result of the decision of a number of people to buy these farms.

The Chairman: Thank you, Mr. Ritchie. I recognize Mr. Cadieu, Meadow Lake.

Mr. Cadieu (Meadow Lake): Thank you, Mr. Chairman. Mr. Owen, many of my questions have been covered and I will skip over a bit.

One question that stands out in my mind is that we are all aware that the Board has to have some sort of yardstick to go on in lending to anyone and naturally they support people with farming experience. No doubt every member of Parliament has had many applicants come to him complaining that they had been turned down for various reasons, and certainly in many cases he could see the reason why they were turned down. I often wonder if more consideration should not be given.

For instance, I know of some young couples who have both come from a farming background and who were determined to get back to farming on their own. They were turned down for the simple fact that they were not living on a farm at the time they applied. They did not have an opportunity of living on one but they had saved money; yet they were turned down for the simple fact that they were not residing on a farm, although both had farm backgrounds. I had them appeal their application, but still they were turned down. I knew them personally and they did have a farm background and were very capable young couples. I was just wondering if cases such as these should not be given a better look.

Mr. Owen: I would have to say that unless something has gone grossly wrong, I feel there must have been some other reason because, in fact, we lend money to many people who do not specifically reside on their farms. It seems to me there must inevitably have been something else. If it so happens that the man was employed full time elsewhere, had a full-time job and intended to retain it—

Mr. Cadieu (Meadow Lake): No, no, they were giving up their jobs to go on the farm.

• 2035

Mr. Owen: You might possibly drop me a note and let me look into it because I am quite sure that actual residence on the farm would not be a problem unless, for example, they were raising a type of farming operation that required day-to-day attention and they were living in a town 20 miles away or something like this. But actual residence right on the farm is not a requirement.

Mr. Cadieu (Meadow Lake): This was not so in this particular case. Of course, as I say, I did have many cases where I could understand why the Board turned them down. But in this one particular case I had them re-apply, knowing this aggressive young couple, what they had done and how much their minds were set on farming.

There is another difficult situation in my area where there are a lot of small farmers. Another young couple had to take other employment, subsidize the farm, but were doing a good job of farming and they were turned down for a loan because he had taken on the job of driving a school bus and she was working part time in a store. I wondered about this because small farmers are finding it quite difficult now. Where they used to be able to milk a few cows, that is out now. They tell me they were turned down on these grounds. And they were good farmers.

I have often wondered if you were sticking to just one hard and fast rule on anyone who could obtain a farm loan to buy a farm or whatever the case. Where you have had a case looked into separately, were any adjustments ever made?

Mr. Owen: I think I can answer that we have often looked back, re-examined and changed our decisions.

First, the fact that a farmer's wife is working would not make him ineligible. If he has a job such as driving a school bus to supplement his income, we have been able since 1962 to not only still make loans to him but to take into consideration this supplementary income, as long as his principal occupation is farming.

You can appreciate that it is difficult to draw a line between those people who are making a living elsewhere and want to moonlight as farmers and those who, in fact, are farmers and who are moonlighting outside. What we are trying to do is to make sure that

our capital goes to those people who are depending upon their farms for making a living.

I recall that some years ago in your area in particular we were not making very many loans. We really felt that with the amount of land and the number of farmers there we should have been able to make more loans, so in conjunction with the provincial people we went in and made a survey of a great number of farmers. We organized, again in conjunction with the provincial people, some meetings at which we could explain what we could do and on what basis we could do it and our business increased three or fourfold.

Sometimes we find that in some particular area, for one reason or another, the knowledge of what we can do to help them has not really been fully understood, so we have to concentrate our efforts there.

I can assure you, though, that in any of these things that you find, you can feel perfectly free to come to us and we will do whatever we can. But as far as principal occupation is concerned, this is a most difficult thing because if we start to accept people whose regular full-time employment is somewhere else, then we are going to be faced with quite a large volume right across the country. This would be taking land right out of the hands of those who actually need it to make a living. So, on this we are fairly rigid.

Mr. Cadieu (Meadow Lake): I had one other complaint from a young couple who had applied. Although for the amount of land he had he did not need two tractors, he had a second old tractor that was in good shape because he was a good mechanic and he kept this second tractor for some rough odds and ends of work he wanted to do. He told me he was turned down on a loan because they figured he had too much equipment for the amount of land he had. I wonder why this should have been?

• 2040

Mr. Owen: Did you ever get the other side of the story? One old tractor sitting on the farm will not stop the man from getting a loan. If he bought a whole host of new machinery he did not need when he was already in a difficult financial position, it would be a different matter.

Mr. Cadieu (Meadow Lake): I could personally see that it was an asset to him to save his good tractor as he had some pretty rugged

land with stones and so on. I certainly could not see why he should be refused a loan for this reason.

I have one further question, Mr. Owen. I do not know whether you care to answer it, but at present-day farm prices, after the farmer pays his living and clothes his family, do you really think he can pay $7\frac{1}{2}$ per cent interest on a farm loan?

An hon. Member: It is $7\frac{3}{4}$ per cent.

Mr. Cadieu (Meadow Lake): Is it $7\frac{3}{4}$?

Mr. Owens: Yes, it is $7\frac{3}{4}$ per cent on a long-term loan. In referring to farm prices are you talking about the price of farm products?

Mr. Cadieu (Meadow Lake): Yes, the present farm prices.

Mr. Owen: The criterion for lending is an assessment of what income we expect this farmer to be able to obtain from the farm, what his operating expenses will be and how much is left over to cover his living costs and his payments to us and to any other creditors. These are the kinds of things that he has to be able to meet.

As I was saying earlier this afternoon, when sometimes it appears that we may be a little harsh in some instances, it is really because we know that if we make the loan it will be beyond his ability to repay. I know that many farmers will pay their mortgages and do without food and clothing for themselves, but if we put them in the position where they have to deprive themselves severely in order to be able to keep their farms, then we are not doing them any favour. I honestly do believe that they can pay $7\frac{3}{4}$ and $7\frac{1}{2}$ per cent. It all depends on the relationship between the amount of debt and the productivity of that farm. In other words, they may pay $7\frac{3}{4}$ per cent on less money.

Mr. Cadieu (Meadow Lake): Thank you very much.

Mr. Korchinski: I have a supplementary question, Mr. Chairman. I wonder why your administration charges are higher than those of the bank, which apparently is quite prepared to grant loans under new provisions of $7\frac{1}{2}$ per cent and you, apparently, have to charge $7\frac{3}{4}$ per cent.

Mr. Owen: First, I might say that I would not accept the premise that our administra-

tive costs are higher than those of banks. I do not know what the banks' administrative costs are, but I do not think they handle money as cheaply as we do. Secondly, the rate at which the banks would be lending under farm improvement loans for the purchase of land is $7\frac{3}{4}$ per cent, the same as ours. The rate of $7\frac{1}{2}$ per cent is for loans for machinery and other types of things.

I would like to point out that the base rate which is used in our Farm Credit Act loans is the average yield on bonds maturing in five to ten years—that is an average of $7\frac{1}{2}$ years to maturity—over the six months preceding. This represents our cost of money, and to that is added 1 per cent.

The banks have precisely the same provision for land purchase loans, where they are lending for up to 10 or 15 years. For their other loans, where they are lending on farm machinery—and farm machinery loans are not in excess of five years—the base rate used is the average yield on Government of Canada bonds maturing in one to ten years, an average maturity of five years. That rate happens to be lower and therefore they are at $7\frac{1}{2}$ per cent. That average in the last six months happens to be $6\frac{1}{2}$ per cent, to which is added 1 per cent making it $7\frac{1}{2}$ per cent, which is the same rate as we are charging under the syndicate act. The difference here of $\frac{1}{4}$ per cent is purely related to the length of time of the loan.

• 2045

Mr. Korchinski: If you had to work on a $\frac{3}{4}$ per cent margin and the work was extended according to the amount of money available in this particular case, would you try to pare down your expenditures to meet that amount of available money?

Mr. Owen: We would certainly reduce our services; we would have to. In fact, ten years ago, at the time the Corporation was set up, our cost of handling money was about 1.5 per cent; it gradually reduced to .76 per cent last year.

Mr. Douglas: Mr. Chairman, I have a supplementary.

An hon. Member: I have a supplementary too.

The Chairman: Then we will have to confine the supplementaries. I will recognize Mr. Smith of Saint-Jean.

Mr. Smith (Saint-Jean): Mr. Chairman, the three questions that I had on the Board have already been answered. Thank you very much, Mr. Owen.

The Chairman: I will now recognize Mr. Horner, Crowfoot.

Mr. Horner: Mr. Chairman, I was quite interested in Mr. Owen's remarks. For a number of years I have been an avid appreciator of the work the Farm Credit Corporation has done, and I want Mr. Owen particularly to know that. I have been interpreted at times as a vivid critic of the Farm Credit Corporation but at the same time I have appreciated their work very much, particularly in the area in which I live.

I am particularly interested in the new concept of the Farm Credit Corporation's work under the new bill. Am I correct that loans are still being made on the ability of the farm to repay the loan?

Mr. Owen: This is one of the criteria, yes.

Mr. Horner: If that is one of the criteria, the Farm Credit Corporation, with the government's advice—I would add that as a rider—then assumes that the farm has the ability to repay the $2\frac{3}{4}$ per cent higher interest rate.

Mr. Owen: On the amount of money which we would lend when we approve a loan, yes, we feel satisfied. We look at the annual payments in relation to his income, and we will satisfy ourselves that he can pay this back before making a loan.

Mr. Horner: Is the cost of money to the Farm Credit Corporation within the last year in any way responsible for the diminishing amount of money or loans approved by the Corporation?

Mr. Owen: Partly. As I indicated this afternoon, during the past year, not because of the cost of money to the Corporation but because of the general need of the government to conserve capital, we have in some ways reduced the amount of lending. I would like to add that this was particularly the case where we were using our money to repay other lenders when they really did not need to be repaid, or the larger farmers where we felt that they were not going to suffer any hardship by not getting that extra half section or whatever it happened to be at that time. This accounted for part of it but it is by no means all of the reason for the decline. It is

difficult to measure which has caused the decline the most, but I think the greatest reason for it has been the economic situation of farmers. Evidence of this, for example, is that other lending agencies lending to farmers also have experienced a decline in their applications.

• 2050

Mr. Horner: You leave me in a little bit of doubt. You have suggested there has been a decline partly because of the government, partly because of your situation, and partly because of the economic situation of farmers. Are you suggesting that the economic situation of farmers has been such that they have not been in a position to borrow money or repay money they could borrow?

Mr. Owen: No. As you will notice, our decrease in lending has been particularly evident in the Prairies, and I am suggesting that during the past summer farmers have been less optimistic and less anxious to go out and buy additional land. The price of land had gone very high, they began to resist these prices and, as a result, there has been a reduction in demand. They are not as optimistic as they were, say, two years ago.

Mr. Horner: I am glad that you cleared that up.

Mr. Ritchie: It was because of the capital cost though.

Mr. Owen: Partly the capital cost and partly, I suppose, their concern about sales prospects...

Mr. Horner: Their ability to repay.

Mr. Owen:...the crops and various factors that come into it.

Mr. Ritchie: And the cost of the land.

Mr. Owen: Oh yes. My people working on the Prairies told me that a year ago when a piece of land came up for sale it was not very long until it was taken up but that this year it sat for quite a while until the vendor finally decided that maybe he could take what was going for it.

Mr. Horner: I am not going to debate the fact that the cost of land has gone up but I also suggest that the ability to repay on the Prairies has diminished to some extent too in the past year or a year and a half. Would you agree with that?

Mr. Owen: I would say that with the present marketing and crop situation with respect to wheat that they are less optimistic about their ability to repay.

Mr. Horner: That is right.

Mr. Ritchie: It depends on the weather, for one thing.

Mr. Owen: Yes.

Mr. Horner: I am not disagreeing in any way with my friend, Mr. Chairman. I would be the first to admit that the weather plays a predominant part, particularly in western agriculture, but I do not think it is the dominant part.

Mr. Owen: Evidence of this is that during 1961, the period of drought, we had a significant number of applications withdrawn by farmers who changed their minds.

Mr. Horner: I agree that the weather plays a predominant part but not the dominant part. I think a western farmer considers the average. Crop insurance is based on the ten-year average, farmers basically consider their crop on the average, if they get a bumper crop it is in a sense a bonus and they build a new house, as my friend suggests, or a new machine shed, but I think the ability to repay has long been Farm Credit Corporation's criterion for a loan. Is that not right?

Mr. Owen: Yes.

Mr. Horner: Not on the value of the land.

Mr. Owen: To a measure but, primarily, any lender's first security for a loan is the repayment capacity. The land is the natural final resource.

Mr. Horner: I agree, but if the ability to repay is the major criteria on which you base your loan I fail to see—and I am not holding you fully responsible for it—how you can justify an increase of 2½ per cent on your interest rates—over 50 per cent increase—for farm loans. Has the farmers' ability to repay increased as much as that?

Mr. Owen: The interest rates are set by the Governor in Council and I would not wish to endeavour either to justify or to non-justify it. This is a matter of government policy.

• 2055

Mr. Horner: As I said in prefacing my remarks, Mr. Owen, I am not holding you responsible in any way. All I am saying is

that the Farm Credit Corporation's basis for making a loan is not on what we commonly call the market value of the land but on the ability of that land to repay. Now we have had an increase, and I calculate it at roughly 57½ per cent, in the interest rates. Again, I am not holding you responsible for this increase, but in light of the reduction in loans that you have made in the last year can you in any way say that the ability of a farmer to repay a loan at that interest rate has increased and do you think the higher rate is justified?

Mr. Owen: I would say that the ability of farmers to manage their business and to make money with it is increasing all the time. I think this is a natural progression. Farm managers are much better today than they were 10 or 15 years ago and they are continuously improving. I am not going to get involved in the other question. Economists will argue one way or the other, so will lots of other people, as to whether interest rates for one input should be below that for other inputs because of the tendency to distort the relationship of inputs. These are arguments and, after all, the rate is set and that is it. However, I want to point out to you that although the rate has gone up 2¾ per cent the annual payment on an amortized basis only goes up from 6.6 per cent to 8.7 per cent, or approximately 2.1 per cent.

Mr. Horner: I now want to go on to another part of my questioning. Let us go into the details of the economic unit. It has long been the criterion of the Farm Credit Corporation to loan money only to those farmers who are borrowing money to establish themselves on an economic unit or have already established themselves on what might be declared a minimum economic unit. Is this still the criterion on which you base your loans? In other words, can a farmer presently on, let us say, a well above average economic unit still apply for a loan from the Farm Credit Corporation and get it?

Mr. Owen: This measure is, of course, a difficult one. We do decline to make many loans to the larger farmers. As I indicated a while ago, during the past year we have been more rigid in this respect than we were before. Our principal job is to help those who need to get economic units. In this connection though I think we have to recognize possibly more now than we did seven or eight years ago—experience teaches a little bit—that what was an economic unit then may not be

an economic unit today. We must not accept sort of a minimum standard for economic units today, we must go above this minimum in order to project viability and this sort of thing.

Mr. Horner: I would be the first to agree with your suggestion of a flexible economic unit, but the reason for my asking that question was to ascertain whether or not you still held out an economic unit as the major criterion. Now look at that fact in the light of the new bill. Look at that fact in the light of a corporate entity applying for a loan under the new bill. Let us suppose that the Corporation is made up of a major number of farmers but it has not been engaged in the farming industry to date but it wants to become engaged. It is very anxious, avidly anxious—use any adjectives you like. It wants to become engaged in the farming industry. For all intents and purposes it is new as far as farming, the basic operation of a farm, is concerned. How would you measure that same criterion of an economic unit in gauging a corporate entity applying for a loan under the new Bill?

• 2100

Mr. Owen: We have two separate kinds of corporations under the definition of farm incorporations. The first is the family farming corporation, as we used to have it, where 95 per cent of the shares were held by persons related by marriage or adoption. 51 per cent were held by the actual operators. We have the other type of corporation where they need not all be related but at least 75 per cent of all kinds of the shares of this corporation must be held by the actual operator or operators.

When we come to make a loan to this corporation, if the actual person whose principal occupation is farming that farm, or will be when the land is purchased, and if there is only one of them, whose principal occupation will be on that farm, the maximum loan under Part II of the Act will be \$40,000 and we would judge that farm as to whether or not it was an economic unit for that man and his family. They are the principal shareholders. They hold 75 per cent of the shares and the principal occupation of that man is farming.

If there happen to be two men whose principal occupation is farming in that farming corporation, then the maximum amount which they could borrow would be \$80,000

and in looking at the economic size of that farm, it must be adequate to support the needs of two families.

The Chairman: Gentlemen, I wonder if it would be reasonable here to observe that we are really not debating the Bill which was debated in the House of Commons and passed, but tonight our real business before the Committee is to consider the estimates of the Farm Credit Corporation, most of which have been used and I am wondering whether or not Mr. Horner would consider coming back to the estimates as they apply.

Mr. Horner: Mr. Chairman, I do not want to abuse any rules or privileges of the Committee. I was led to believe, though, that in the debates on this particular new Bill in the House—in fact, if my memory serves me correctly, and you can correct me if I am wrong, the Minister led us to believe in the House that the Farm Credit Corporation would be before the Committee and that any questions pertaining to attitude and intentions under the new Bill could well be put at that time. As I say, if I am wrong, I will abide by your wishes. I only have a few more questions.

Mr. Southam: Mr. Chairman, I would like to support Mr. Horner. This was the interpretation I got from the Minister's remarks and I believe it is government policy, when referring estimates to Committees, such as we are discussing here today, to expedite the work of the House itself. Unfortunately, the Minister is away in Europe and cannot be here. I have complimented Mr. Owen already on doing a real job here on behalf of the Minister and the policy of the government. I would like to support Mr. Horner in his contention that we should have these answers, if they are available.

The Chairman: I do not want to be arbitrary about it. I thought that probably there was some wisdom in coming back close to the estimates.

Mr. Howard (Okanagan Boundary): I have listened for about three weeks to arguments about 5 per cent interest rates in the House. The Bill is passed now. Let us get on with the business that we are here for. I am sick and tired of hearing this over and over again. I have heard of filibusters before legislation is passed. Now we have a filibuster after the legislation is passed. Let us get on with the business.

The Chairman: May I say I think we have had excellent co-operation in the Committee and would you proceed with your questioning, Mr. Horner.

Mr. Horner: I am sorry, Mr. Horner, if I have offended some people in the Committee. If anybody thinks that I am attempting to filibuster this Committee, they should see me in full stride.

• 2105

Mr. Whelan: On a point of order, you apologized to Mr. Horner. I do not know if you really meant to do that.

Mr. Horner: No, I did not apologize to Mr. Horner. I apologized to the Committee.

Mr. Whelan: You said: "I am sorry, Mr. Horner".

The Chairman: Mr. Horner, will you proceed with your questioning, please.

Mr. Horner: Thank you, Mr. Chairman. He has me completely off my topic but I will quickly pick it up. My question had to do with the basic principle of the Farm Credit Corporation. In the past it has been the judgment of the Corporation to attempt to make loans to farmers so that they might become established on economic units. My question related to the fact of a corporation becoming established, not a single corporation, but I was thinking of three or more farmers or three or more persons, including somebody other than a farmer. How would you gauge whether or not—let us suppose for the sake of the argument that here are four farmers who form a corporation and those four farmers or the fathers of those four farmers are well established on what even you might claim, or even the government might claim—not meaning you in any derogatory sense, Mr. Owen—is an economic unit. In other words, let us break it down this way: let us suppose that I am a farmer on an economic unit and I cannot get a loan from the Farm Credit Corporation if I wanted to, but it would be to my advantage to get together with three other farmers in a similar position and apply for a loan. So, we form a company, duly incorporated, and we want to buy out X number of neighbours or one neighbour: how would you ascertain whether or not this new corporation, just formed by a group of farmers, is really in need of additional land or a farm, even to become an economic unit? Do you follow my question?

Mr. Owen: Not entirely. I could take two different interpretations. To begin with if you were a farmer and you were putting your land into that corporation, it becomes part of the assets of the corporation.

Mr. Horner: No, no, no. Let us suppose it does not.

Mr. Owen: If you are trying to form a separate corporation—

Mr. Horner: Yes.

Mr. Owen: —then is your principal occupation in that farming corporation or is it back on your home farm? If it is back on your home farm, you are not eligible here.

Mr. Horner: Do I understand it clearly? If my principal occupation is back on the home farm—

Mr. Owen: Then you are not eligible as a shareholder in that corporation within the 75 per cent shares.

Mr. Horner: But supposing my principal occupation was not farming, what then?

Mr. Owen: Seventy-five per cent of the shares of that corporation must be held by persons whose principal occupation is farming the farm owned by that corporation.

Mr. Horner: And if those persons holding 75 per cent of the corporation are already established on economic units, they are not eligible?

Mr. Owen: Now what do you mean? That they have economic units of their own?

Mr. Horner: Yes, let us suppose they have economic units of their own.

Mr. Owen: Where are they farming? Their own farm or the other one?

Mr. Horner: Yes, let us suppose they have their own farm or let us suppose the corporation—are they not held at arm's length, are they not held separate from one another?

Mr. Owen: No. No, we look into the individual shareholder who is actually an operator and consider what is his principal occupation. We ask ourselves is his principal occupation farming in the farming operations of that corporation? We get right into the individual shareholder.

Mr. Horner: And you do not consider the two of them, as I say, at arm's length?

Mr. Owen: No. Otherwise, we could have a fellow forming two or three corporations and getting different loans.

Mr. Horner: Yes.

Mr. Owen: We have to look at the individual shareholder in that corporation who is the qualifying shareholder and ascertain his situation.

Mr. Horner: And this is the way you ascertain it—whether he is already on an economic unit—

Mr. Owen: That is right.

Mr. Horner: I have one further question, Mr. Chairman, and I will go back to the old rule or the old Act, if you like; you can apply it as well to the old Act as to the future Act. It has long been my contention, Mr. Owen, that the Farm Credit Corporation has not utilized its time to the fullest advantage with regard to winter loans. Is it still in the regulations that no loans on any land will be made during the winter months while the snow is on the ground?

• 2110

Mr. Owen: It is still within the regulations that no land will be appraised when it is covered with snow to the extent that it cannot be properly examined. We may have examined it before the snow came and make a loan.

Mr. Horner: Oh, I see.

Mr. Owen: During the winter when there is snow there and we cannot see that land we would not make an appraisal.

Mr. Horner: You will not make an appraisal. There has been no evidence to suggest that through the use of soil maps and local knowledge of the land that some loans—and I am thinking of the farmer, for example, who has perhaps rented the given land for the last five or six years; he knows it well and all of a sudden the land owner dies and he wants to buy it. It is in the middle of the winter. The Corporation may have vivid knowledge of the land, but yet cannot make a loan until spring. Then somebody else buys it by the spring. I am thinking of that sort of a situation which may well arise.

Mr. Owen: We did discuss this this afternoon. As you indicated earlier, it is one of our basic criteria to estimate repayment capacity.

Mr. Horner: Yes.

Mr. Owen: And one of the basic things you have to do to estimate repayment capacity, is to find out not only the quality of the land but the way in which the man has been using it. This is one of the reasons why we like to see that land when there is no snow on it. If we had made an appraisal of that piece of land within the two previous years, then this is satisfactory. But usually there is some other land with which we are not thoroughly acquainted and we want to know more about how that man is using it. I do not really think that this is a very serious problem today. . .

Mr. Horner: Oh, no.

Mr. Owen: . . . because most of our farmers who are going to buy for the next spring either come in before the snow comes and we run out and look at the land, or else we now are able to get on to it much earlier in the spring than we used to. We have more staff and we can get this backlog cleared out much quicker.

Mr. Horner: O.K. I will forego any further questions now.

The Chairman: Thank you, Mr. Horner. I recognize Mr. Roy, member for Laval.

Mr. Roy (Laval): Mr. Chairman, I would like to thank the member for Crowfoot because I thought I would not have time for my questions.

Mr. Horner: Thank you.

[Interpretation]

Mr. Roy (Laval): Mr. Owen, first of all, I would like to congratulate you and congratulate the department for having modified the farm credit to meet our needs in the Eastern part of the country. I think that the previous loan structure did not fit the needs of the farmer in this era of increased specialization. Especially when you consider the number of farms with sales of less than \$5,000 has decreased by 30 per cent between 1961 and 1966 and there has been a 90 per cent increase in the number of farms which have increased their volume of sales to over \$10,000. I think that you are really showing awareness of the development needs in the East through the new loan structure, and I think can use them effectively.

I am thinking of specific cases of people who are going to merge their farms, the father and two sons who are going to merge

their holdings. And then, we will have loans of twice \$40,000 and then a further loan of \$100,000 covering up to 90 per cent of the assets.

The member for Saint John riding will probably be very happy; yesterday, I was in a market-gardening area and found out that the vegetables producers' problem really was insufficient storage space. They were forced to sell off their vegetables because they could not store them.

And here, I have a question. I want to know for instance this: In the Montreal area, when you have a potential of land, of arable land which is very hard to value because it has never been cultivated, but which have a definite future as vegetable farms.

I want to know how we are going to assess these farms and lands as compared to other places where you have capital investments of up to \$4,000 an acre?

Mr. Owen: We value property on the basis of its potential productivity as soon as it is ready for cultivation and deduct the cost of whatever improvements are necessary to make it cultivable. As far as storage is concerned, we can make loans to build storage facilities, to either an individual farmer or a group.

Mr. Roy (Laval): Now if the farming is to be specialized do you insist these market gardeners take out crop insurance to guarantee the loan?

Mr. Owen: Insurance?

Mr. Roy (Laval): Crop insurance, yes.

Mr. Owen: This is not at all an essential condition. But now, we certainly would like to deal with people who have crop insurance. But this is not the essential condition of our loan.

Mr. Roy (Laval): Thank you very much Mr. Owen.

● 2115

[English]

The Chairman: Thank you, Mr. Owen. Mr. Gleave, please, Saskatoon-Biggar.

Mr. Gleave: I think the new changes in the Act represent a new departure from the older concept. You are now going into a position where money will be loaned to the farmer at market cost, that is, market money. This is

really what it is tied to. Previously we had the \$20,000 which was envisaged, I believe, as a sort of a subsidy, but now we have departed from that. Presently a farmer buys and he is locked into a $7\frac{3}{4}$ per cent interest rate. He is locked into that interest rate for the term of that loan which may be 25 or 30 years. Would it not be a logical thing now to put the loans also on a market basis? You could not review them every year but, say, you reviewed them over a four or five-year period, and if market money had dropped from $7\frac{3}{4}$ to 6 per cent, then you reduce the interest rate on the loans retroactively so that he then pays 6 per cent; that is, you do the same for the farmer by reflecting the money market situation directly into the amount the farmer is paying. Should not this be possible?

Mr. Owen: Actually it is a matter which is of some concern to us. We have about \$1 billion out now at low rates. These are on contracts. Many of these farmers are coming back to get new loans and we have felt that they ought to benefit by the lower rate which they have had in the past and to continue this on throughout their loan.

Mr. Gleave: This I would agree with.

Mr. Owen: If we wished to carry that same principle forward, if in five years from now, somebody has some money at $7\frac{3}{4}$ per cent and the rate is down, then by the same adjustments he should pay slightly higher because he has this higher money to pay off, to be completely equitable. I realize that this is a problem.

You are probably aware that we do not charge any premium for prepayment or repayment so that if a farmer wished to pay us off, and he could get money elsewhere at a lower rate, he could do so. I think this is a problem though. We hope that before too long we will see some decrease in interest rates. It would then become a problem. It is certainly a thing that we are aware of and we will do what is possible.

You will appreciate from the Corporation's point of view, if we borrow money for 20 years at $6\frac{3}{4}$ per cent, we would like to have the same right to repay, to reduce or renegotiate, otherwise we would go broke. It is a problem and all I can say is that I am aware of it; many others are aware of it, and we will certainly keep this in mind. I cannot say just what might be done. I do not think it is an insoluble problem.

Mr. Gleave: Do you think that such a thing could possibly be worked out?

• 2120

Mr. Owen: I think such a thing would be possible but, if so, it would have to include the provision also that if rates went down and later on went up that he would agree also to the higher rate when it went up.

Mr. Gleave: Yes, of course.

Mr. Owen: You have to take it from both ends.

Mr. Gleave: Of course, but it seems to me, if we were to go on to a money market rate, that a farmer or anyone borrowing at this level could be at a quite serious disadvantage if it went up.

Mr. Owen: Yes. I suggest that if the market rate went down very substantially, other funds would be available for him to pay us off, but if we do not see other lenders in the field then we have to take another complete look at it.

Mr. Gleave: The other thing is the matter of co-ordination. With the increase under farm improvement loans running up, if I remember correctly, to \$25,000 maximum and \$10,000 in land, is there not a necessity for co-ordination between you as the major lending agency—well, I should not say the major lending agency because you just said a while ago you are not—but as the central lending agency; I think that would be fair. Is there not a necessity for co-ordination between your agency and other agencies that are going to be in the field?

You might very carefully appraise a farm operation and the operator and decide that this is good for a \$40,000 loan, and you make it, so then the chap trots out and picks up another \$25,000 and adds it on, and when you come back a few years from now he is in pretty serious trouble. Do you not think there is a need to consider this situation?

Mr. Owen: Yes, I think there is a need for consultation with the banks and other lenders. I suggest that generally speaking we would lend \$40,000 to would be smart enough not to go out and put himself into that trouble. We are faced with these possibilities right now and we do have some that get themselves into trouble.

Mr. Whicher: Where would he get the additional \$25,000?

Mr. Owen: This is from the bank under the Farm Improvement Loans Act. It can lend up

to \$15,000 on machinery and farm improvements, and \$15,000 on land, but a total of not more than \$25,000. This would be a guaranteed loan. Certainly I do believe that there is much room for consultation between us and the banks and we do have a lot of this consultation already at the local level between our men and bank managers. In any credit agency there must be exchange of information and I agree with you that there is room for improvement.

Mr. Gleave: You are probably right; it would not be the \$40,000 man that would do this, it would be lower down the ladder. I agree with you. Do you have enough supervisory staff? That is, is the Corporation moving far enough or fast enough in the area where you have people specifically trained in the supervisory field, especially for loans that are pretty well marginal? I am sure you must do this; you cannot avoid it. Have you enough people you can use in this instance? For a group of farmers that are scattered all over Saskatchewan can you say to an individual "You keep an eye on those loans"?

Mr. Owen: No one is ever satisfied that he has the ultimate. We think we are fairly well equipped. We would have within each branch office one or two persons who specialize. In a situation like Saskatchewan for example, where the supervised zones are widespread, of course that one person could not get around to see them.

We think that our local credit adviser who spends all of his time dealing with individual farmers, getting into their financial situations, finding out how they are making out or not making out, seeing good farmers and what they are doing and why they are successful and seeing other farmers who are less successful and seeing why and who are trained in farm management, is able to do this job.

I realize that many people think we should separate those people who are lending from those people who are doing supervision afterwards. We are not particularly inclined to that view at this moment. We have discussed it many times. One of the factors is that the greatest amount of judgment and the greatest amount of knowledge and ability of our people are required at the time we make the loan because if we have made that loan and it is not right, if we have not thoroughly discussed with the farmer his future operations and his investment of capital, we are into trouble. We

need this real capacity there. It is precisely the same kind of knowledge and training that is required for future supervision.

• 2125

We have specialists at our branch offices to reinforce this training. We do think we can do a really good job. There is a limit here in that we do not wish to duplicate, overlap or trace over the work of the provincial people. We have also thought that if we endeavoured to separate these two functions, some specializing in supervision and some specializing in lending, we would cover a province with two networks of people all covering the same roads and we feel that at present our arrangements are satisfactory.

I would say, however, that in some areas where the load of supervision is heavy, where there is a large number of farmers under the supervised loan program, we then do concentrate some people in this particular work.

Mr. Gleave: I see. I have one final question. In circumstances such as we have in the West this year, I suppose you can and probably do extend a loan for a year where you find it is essential and not necessarily through bad management by the individual?

Mr. Owen: We would defer repayment of loans by farmers unable to pay and, as a matter of fact, I can tell you that in the province of Saskatchewan there has not been an instance where we have foreclosed on a farm since 1959.

Mr. Gleave: Thank you very much, Mr. Owen, and Mr. Chairman.

Mr. Whelan: Do you create a moratorium and no interest for that one year?

Mr. Owen: No, we cannot forgive interest. We can defer its payment, but we cannot forgive it. We are not allowed to and as far as a moratorium is concerned which is very often felt to be something that applies to the whole region, we really do not do this. Different farmers in an area are hit in different ways; different farmers with different kinds of enterprises. Bad weather in one area might not hurt the poultry man, for example, and there are all sorts of different circumstances.

On the other hand, there may be one farmer in an area that is hit with some difficulty and none of his neighbours are bothered, so we like to deal with the individual farmer. If he is really genuine and sincere in his efforts

with us and he gets into difficulty, we will defer his payments and we will carry them.

The Chairman: Mr. Thompson (Battleford-Kindersley).

Mr. Thompson (Battleford-Kindersley): Mr. Chairman, they say that our society is built on credit and judging by the amount of credit that is out, at least it should be built, but we are not satisfied with building on the society that we have had, we are going to start building the Indian society in the same way. It is not right that he should get away with not owing money; he has got to owe money like the rest of us. I would like to deal with this particular item of the Farm Credit Corporation and in particular one or two items.

As I see it, this would be a new venture for many of these people and I would like to stress, if you will, not only farm skill but the farm management end. You could use provincial people, but I wonder whether this is not one area where, there should not be a fair amount of work. I hate to see anyone borrow money, particularly on this level, if he has not got some training or management skill.

Mr. Owen: That is a sentiment with which I heartily agree. Our facilities have not been available to Indian farming on reserves before; they are now going to be available and we feel very strongly that if we are going to make these services available we are going to make them available in such quality that our reputation, which we think is a good one now in farming generally, will not be hampered by it.

We will do everything within our power to ensure that we deal with these individual farmers and give them every bit of help we can. We will have to co-operate; we will be in co-operation with the Department of Indian Affairs and we will, in some instances, be in co-operation with the extension people from the provinces. I can assure you that we are not going to be lending under this particular section for a little while until an agreement is made, but we are going to give it a very real effort to ensure that what we are doing is helpful and not in the long run harmful.

• 2130

The Chairman: Thank you, Mr. Thomson. I recognize Mr. Whelan.

Mr. Whelan: I just wanted to ask a couple of questions, Mr. Chairman. You said that you were not the largest lender of money for

farms in the farm mortgage business. What percentage of all farm loans in Canada do you make? Do you know?

Mr. Owen: Total credit, including short term, intermediate, long-term, all kinds of money which farmers borrow, in 1967 was a little over \$2 billion; we lend about 12 per cent; that is, of the amount extended during the year of the long term or mortgage credit, we lend about 60 per cent.

Mr. Whelan: You are talking, then, about all the money they borrow from banks, credit unions and so forth.

Mr. Owen: That is right, in fact the banks are the largest suppliers of capital to farmers but the loans are, of course, of shorter duration.

Mr. Whelan: You also mentioned the farm supervisors and being a strong believer that we do not delve into this sphere of the whole operation deep enough. I have always said that we should have a program to provide more advisers to farmers that bought the number three type of loan.

Mr. Owen: Yes, the supervised loan.

Mr. Whelan: How many supervisors do you have in each province? Do you know this offhand?

Mr. Owen: Our credit advisers do the supervisory work. We have a total of about 250. In British Columbia there are 12, in Alberta 58, Saskatchewan 58, Manitoba 21, Ontario 52, Quebec 59, and the Atlantic Provinces 12.

The Chairman: Thank you, Mr. Whelan.

Mr. Whelan: I have just one other question on the appeal.

The Chairman: I am sorry.

Mr. Whelan: Mr. Pringle told me that perhaps this question on appeals was answered before. How many appeals a year are made by farmers that are refused loans and how many of these appeals are successful?

Mr. Owen: In the three years approximately during which the appeal boards have been operating—I can give you the total rather than the yearly breakdown.

Mr. Whelan: Yes.

Mr. Owen: There have been 225 appeals, of which the Appeal Board indicated they

agreed with us, and 45 in which they either recommended that we make the loans or recommended alternative loans.

Mr. Whelan: But the Appeal Board does not have the power to say you shall grant them a loan?

Mr. Owen: That is right.

Mr. Whelan: They just have power to recommend.

Mr. Owen: Yes. Now, of those 45 we made loans to 43 of them. There were two instances where we did not agree with the Appeal Board recommendation and did not make the loan.

Mr. Whelan: Thank you.

The Chairman: Thank you, Mr. Whelan. I recognize Mr. Lambert (Bellechasse).

[Interpretation]

Mr. Lambert (Bellechasse): Mr. Chairman, as everything goes together in agriculture. I wonder whether in the future the Farm Credit Corporation, when loaning to dairy farmers, will be bound by increasingly strict quota regulations set up by the Dairy Commission?

Mr. Owen: Yes.

Mr. Lambert (Bellechasse): Will this influence the decisions of the Commissioners in estimating the income and the possibility for repayment etc.?

Mr. Owen: Yes. If the quotas are taken into consideration, it is one criteria used to evaluate a farmer's income.

Mr. Lambert (Bellechasse): Thank you.

Mr. Owen: We also work in close co-operation with the Dairy Product branch.

Mr. Lambert (Bellechasse): Then, the conclusion is definitely, in this matter of dairy farm loans there will be less of them in the future?

• 2135

Mr. Owen: For processing milk?

Mr. Lambert (Bellechasse): Yes.

Mr. Owen: Yes.

Mr. Lambert (Bellechasse): We call that the poor man's milk.

Mr. Owen: This is true. This is not the same as milk for the market.

Mr. Lambert (Bellechasse): Well, of course, there is fluid milk and powdered milk.

Mr. Owen: I have an idea that, in the future, there will be fewer loans for powdered milk and some farmers who will produce it will certainly extend their activities, to have an adequate income. In these cases, the loans will be very useful to extend farm buildings.

Mr. Lambert (Bellechasse): When there is a question of processing, when a dairy farm is unable to expand, these people still have to live somehow. They might want to switch to growing or hogs raising. What kind of collateral will you demand in these cases? On farms of inadequate size, will the buildings be valued as collateral, or what? What will the position be in other words?

Mr. Owen: We go by the value of the property, including buildings. You will understand that the farmer's income will depend to a large extent on the buildings he has for hogs, or fowl. It is the potential income from his production which will be the basis for assessing our loans. The productive value, the possibility for repayment are just about the same really, are they not?

Mr. Lambert (Bellechasse): Thank you.

[English]

The Chairman: Thank you very much, Mr. Lambert. I now recognize Mr. Korchinski (Mackenzie).

Mr. Korchinski: Mr. Owen, I presume that all your applications are treated as confidential and that that is how it is intended to be?

Mr. Owen: Yes.

Mr. Korchinski: Do you wish to continue in that fashion? That is, to have applications and loans continued to be granted in a confidential manner?

Mr. Owen: Yes. I would say, however, that if a farmer applicant wrote somebody to make representations on his behalf we would assume that he was expecting us to take that man into our confidence.

Mr. Korchinski: Yes. Then, perhaps you may wish to reconsider your reply to the Member for Saskatoon-Biggar? When I deal with a bank I consider my dealings with it to be confidential, and if I went to the Farm Credit Corporation I would also wish it to be treated as a confidential matter.

Do you still consider that there should be consultations between the bank and the Farm Credit Corporation?

Mr. Owen: As a matter of fact, we ask each applicant about his obligations to a bank and obtain his permission to go and talk to the bank.

Mr. Korchinski: That is fair enough; but having been granted the loan if he goes into the bank he also has to give them a statement. There is, however, no way that the bank can check with you, and I doubt that you would really be interested in checking back with the bank.

Mr. Owen: If the bank asked us we would say: "Get your farmer's permission for us to give you the information."

Mr. Ritchie: They would know automatically.

Mr. Owen: They would not know whether he was up to date.

Mr. Ritchie: The mortgage is there.

Mr. Owen: Oh, yes, the mortgage is there; but they might not know whether he was up to date. If they wished to know the status of man's account we would expect them to get that man's agreement to our releasing the information.

• 2140

Mr. Korchinski: Oh, yes; but in the case that the member for Saskatchewan-Biggar was citing the suggestion was that, after getting a loan of \$40,000, one then got another loan from the bank for \$25,000. I would not want this kind of an exchange between the Farm Credit Corporation and banks, or any other lending institution, for that matter. This would not be advisable, would it?

Mr. Owen: It depends on the kind of consultation to which you are referring. We certainly would not go into the bank and say "You should not make a loan to that man."

Mr. Pringle: Mr. Chairman, is this not usual in the case of all loans? When you go to a mortgage company they want to know what money you owe and your financial position.

Mr. Korchinski: I agree; but I do not think the Corporation should get itself into a position where it has consultations back and forth, or that the banks give out this informa-

tion to other people. This is the inference that was left with the member from Saskatchewan-Biggar.

I would strongly advise against any policy such as that.

Mr. Gleave: Mr. Chairman, on a point of information. I was suggesting to Mr. Owen that it would be advisable to develop an approach by which, to avoid difficulty, there was some co-ordination between these two types of loans. It might be done by a regular procedure whereby the farmer would be fully aware that this was the course that was to be followed and would fully accede to it. I was not suggesting any kind of prying procedure.

Mr. Korchinski: I would certainly wish to leave the decision to the farmer. I would give him credit for at least having some common sense.

I will leave this topic.

Mr. Owen: May I make a few comments on that? First of all, a man who obtains a supervised loan from the Corporation is not eligible for a farm improvement loan unless the Corporation has given him permission.

Mr. Korchinski: That is a different situation.

Mr. Owen: The second comment is that although lenders deal in confidence with the status of individual accounts, I think you would appreciate that in any credit operation it is incumbent upon the lender, whether it be a bank or anybody else, to get the credit ratings of, and credit information about, the applicants.

Mr. Korchinski: I will not pursue that any further. I have another question about Indian bands.

What guarantee have you that you will be able to get this money; and if they are in default what do you do?

The Chairman: Order, please.

Mr. Korchinski: Is the loss that you suffer in this case then carried on by the bulk of the lenders from thereon in? You obviously cannot sue the Crown, and you cannot repossess. What is your method of procedure here?

Mr. Owen: Ordinarily, in lending to a farmer, we take, as our first security, his ability to save...

Mr. Korchinski: I am speaking about Indian bands.

Mr. Owen: Yes; but I want to lay the foundation before I say anything about that. In lending to any farmer our first security is his repayment ability. In the event that he does not repay we have a second security to fall back on, which is a mortgage. This we have not been able to obtain from Indian farmers on reserves. To replace this we get a guarantee from the Minister of Indian Affairs and Northern Development that if we do not get the money back from the Indian we will get it back from the Minister of Indian Affairs and Northern Development. It is only to make such an agreement that the amendment to the act really permits us.

Mr. Ritchie: Has he given you one?

Mr. Owen: I beg your pardon?

Mr. Ritchie: Has he given you one agreement?

Mr. Owen: The Act has just been amended. We will be working out an over-all agreement about guarantees.

Mr. Whelan: What you are really doing is loaning the Indian money to buy back his own land, and it was really his in the first place.

Mr. Owen: We did not say that this money would necessarily be to buy land. Farmers do a great deal more than that.

Mr. Korchinski: I have one other question on repayments.

I believe you have a policy whereby payments can be made on the basis of a share of any crop that is received. I think it is one-sixth of the crop, or something like that. I may not be accurate in the detail here. Do you have a policy of that sort?

Mr. Owen: A crop share agreement?

Mr. Korchinski: Yes?

Mr. Owen: Yes.

Mr. Korchinski: To what extent are payments made on that basis?

Mr. Owen: A very limited number. I will take wheat as an example. If the crop is only six bushels they do not pay anything; between six and 18 bushels per acre, they pay half. Therefore, for the first 18 bushels they pay one third. Above that they do not pay anything.

There are very few farmers who use it—somewhat less than 400 in the country.

• 2145

We offered this in 1961, during the period of drought, to some 20,000 farmers and there were only about 500 who wished to take it up. Many of these have dropped it since.

This is rather a two-edged thing. It makes for lower payments during poor crop years, with very much higher payments during the years of good crops.

The farmer has to report his crop with his grade, and so on. Our experience has been that he would prefer to know that he has so much money to pay on such and such a date, regardless of his crops; because he knows that if he does not have a crop we are going to deal with him in a reasonable and sensible way and are not going to foreclose on him.

Mr. Korchinski: Is this policy based on production of the crop in that given year or on the delivery of it?

Mr. Owen: Crops during that year; but we can wait for receipt of the money until it is delivered.

Mr. Korchinski: In other words, you could accept the . . .

Mr. Owen: The amount he owes us for that year is based on the amount of his crops. Naturally, we cannot get it until the crop is sold.

The Chairman: Thank you, Mr. Korchinski.

Mr. Horner: I have a supplementary on that point. You talked about his ability to deliver it. Let us suppose he has borrowed more than a six-bushel quote will allow him to deliver—other than his living allowance, and so on. How long are you prepared to wait? Suppose he has the grain in storage. How long are you prepared to wait until his delivery and the payment for that year?

Mr. Owen: We have so few of them that I really cannot say. The question of how long we will wait has never yet arisen so I am afraid I could not answer.

Mr. Ritchie: He can get \$6,000 from the Government to pay you, can he not?

Mr. Owen: I can only say that it has never created a problem either for us or for a farmer.

The Chairman: Thank you, Mr. Horner.

Mr. Peters (Temiskaming)?

Mr. Peters: At the beginning of the discussion you mentioned the role being played by the advisory committee. In terms of credit, have you ever thought, or has there been any advice from the advisory committee for the establishment, of a revolving fund whereby moneys being paid back to the treasury are retained by the Corporation so that over a long period of time we probably would be able to equalize the interest rates that were available?

I notice that your original borrowings were at three per cent in 1951-52, and they have gone up in 1967-68 to a maximum high of 6.8. You operate with a very small revolving fund, I understand, but has the advisory committee ever suggested that all the moneys go into a revolving fund for re-use within the Corporation?

Mr. Owen: I would like first to clear up the question on revolving fund. It is not truly a revolving fund, although it is somewhat in the nature of one. The Act authorizes us to borrow so much money, and we borrow it from the Government at a particular time, amortized over a period of years. We have to make payments on it each year.

On money that we lend to farmers they have to make payments to us, and these are made to the Corporation and not to the Receiver General. We then, from proceeds, repay the Minister of Finance the amount due on our loans. That reduces the amount we owe the Minister of Finance, and we can come back and borrow from him again so long as we do not get up to the ceiling. What has happened is that the tremendous rate at which we have been lending has pushed us up to the ceiling on several occasions.

You will appreciate that on an amortized loan to a farmer he pays very, very little principal in the first years and most of our business has been over the last five or six years so that the principal repayments are not nearly high enough to meet our new lending requirements, and this is why the ceiling was gradually raised. I suppose if a revolving fund was set up it would probably have to carry a current rate each year. However, I will say, in answer to your specific question, that this question of a revolving fund has never been considered by the Advisory Committee.

Mr. Peters: So in the true sense there was not within the Corporation a revolving fund from which you could borrow or loan out money.

• 2150

Mr. Owen: Not truly, no.

Mr. Peters: In fact it was just an annual holding fund that you had. The only difference would be that in the years you took in more money than you put out there would be a limited revolving fund for that year.

Mr. Owen: Then we would have a surplus with which we would have to make prepayments on some of our borrowings. We borrow from the government and we repay it depending upon our repayment capacity as a result of loans from farmers.

Mr. Peters: I presume there was not a revolving fund, but I wonder if the Advisory Committee had ever made the suggestion. It seems to me that all your borrowings are going to have to be on current market values, no matter whether we change the Act or not. It is a fact that you borrowed in the market sometimes advantageously and sometimes not too advantageously, but you had to borrow it currently.

Mr. Owen: Yes.

Mr. Peters: I would have thought that the Advisory personnel would have indicated the advantages of establishing a revolving fund. It would not be anywhere near a billion dollars but a very much lesser amount, would it not?

Mr. Owen: There may be some advantages which are not apparent to me, but certainly it is a matter that could be referred to the Advisory Committee. I might mention that in addition to the money we borrow we also get our capital interest free.

Mr. Horner: A supplementary, if I might, Mr. Chairman. Would there not be some advantage gained in having the Corporation in fact set up on a revolving fund principle. In this way the money you loaned 10 or 15 years ago at three per cent interest could now be reloaned, in other words the same money would be used and there would not be the added cost of, let us say, inflation on that money to the Corporation.

Mr. Owen: Actually the money we borrowed at three per cent years ago was lent out to farmers, some at four and a half and some at five per cent, and it is still out.

Mr. Horner: Yes.

Mr. Owen: There may be some specifical advantage to a revolving fund but I cannot see any. It would take a very long time to discuss the merits or demerits of a revolving fund.

Mr. Peters: What did you mean when you said that you borrow your money capital interest free?

Mr. Owen: Our borrowings are current to government lending rates. But in addition to this, the capital subscribed for the Corporation, which was \$40 million and is now up to \$56 million, is provided by the government interest free.

Mr. Peters: What do you do with that? Except as a bookkeeping factor, what is the significance of that original capital?

Mr. Owen: It is really the government's equity in the Corporation, the rest is a liability. We cannot have assets and liabilities in excess of 25 times our capital stock, if you will. That also sets a limit on the amount of reserve we can establish for losses, but we do not have any revenue to establish such a reserve. Initially it was really shares in the Corporation.

The Chairman: Mr. Douglas, Assiniboia?

Mr. Douglas: These are really supplementary questions. One has to do with deferment of payment, which Mr. Owen mentioned briefly, in case of crop failure or other things that might happen to an individual farmer. You said there was no forgiveness of interest, but in case of a deferment of a payment for a year do you just extend the whole term—add another year on the end,—or do you charge interest for that year and increase the next year's payment?

• 2155

Mr. Owen: We carry that payment in arrears, and when he gets a good crop then he pays us back. If, as happens in many instances, the farmer has had difficulty for two or three years in a row and we see that he has now overcome these difficulties we could reamortize that payment over the balance of the term or, if necessary, over a longer term. But ordinarily we do not make these arrangements. Normally we just defer it if he is a year or two behind and he catches up, and actually they prefer it that way.

Mr. Douglas: You spoke about inspection fees for checking out a farm before making a loan. Has there been a change in the inspection rate?

Mr. Owen: Yes. Since we increased the interest rate to cover our operating costs we reduced the charges for making appraisals from 40 cents per hundred under Part II to 20 cents per hundred, and under Part III from 50 cents per hundred to 25 cents per hundred.

Mr. Douglas: Thank you.

The Chairman: I recognize Mr. Howard, Okanagan Boundary.

Mr. Howard (Okanagan Boundary): I want to say, first of all, that since a revolving fund system operates quite successfully in the United States it would seem to me that the intelligent thing to do would be to take a look at their system which is operated on a more decentralized basis than we have here.

Mr. Owen: Which organization are you referring to, sir, the Farm Credit Administration or the Farmers Home Administration?

Mr. Howard (Okanagan Boundary): They call it the Land Bank System.

Mr. Owen: The Land Bank which is part of a Co-operative system is a form of credit union.

Mr. Howard (Okanagan Boundary): Now their revolving fund system has been operated by decentralized units over the years, many of these units have repaid their original capital to the government and now are operating on their own without any burden on the government itself because they now have their own capital.

Mr. Owen: It is a co-operative credit system. As a matter of fact, the Farm Loan Board initially was set up on that basis. Each borrower has to buy stock up to a certain percentage of the amount of his loan, and eventually the farmers came to own it themselves. They started about 1916 and now they pretty well own it all. The Farm Loan Board was originally set up on that basis, and in 1935 it was changed to our present system.

Mr. Howard (Okanagan Boundary): I just suggest that it is operating successfully.

Mr. Owen: I do not believe that it is operating on a revolving fund. They borrow their money through a financial agent on the Unit-

ed States money market. We have been down to visit them several times to discuss the ways in which they raise their money.

Mr. Howard (Okanagan Boundary): My understanding is that they borrowed it originally from the government and most of them now have paid it back.

Mr. Horner: The original money that was in the revolving fund.

Mr. Owen: Individual farmers also bought shares and now they have been able to buy out the government shares. But the actual money they get for lending is raised on the money market. In fact, outside of the United States Government itself they are the next largest borrower on the money market in the United States.

Mr. Howard (Okanagan Boundary): I think there is another advantage to the system: it is operated by the farmers themselves so that they are on the spot to give proper advice to a farmer who might require it in connection with his loan.

Mr. Owen: It is a co-operative credit system. As a matter of fact, I have on many occasions suggested to many farm leaders in Canada that they might be interested in this sort of a system. Generally speaking, however, the consensus has been that as long as they could borrow money from the government at less than they could afford to borrow and lend it themselves they themselves did not particularly wish to go into the business.

Mr. Pringle: Would it be a fair question to ask if they borrowed money as cheaply as our farmers have been able to borrow it during the last three or four years.

Mr. Owen: No, the Land Bank's rate has been somewhat higher than ours. They had a ceiling of six per cent but this had to be removed recently in order to meet the market situation. Now this is the Land Bank, not the Farmers Home Administration which is a different thing. But interest rates in the States generally are lower.

Mr. Pringle: That is what I mean.

Mr. Howard (Okanagan Boundary): I have another point I wanted to make in connection with appeals. I know of a case where a farmer requested leave to appeal in connection with an application for a loan because, in his opinion, the appraisal on the property was not high enough. The Farm Credit people said

that they could not do anything about the appraisal because they had only one appraiser for that area.

Mr. Owen: If an exception has been made in this case I would like to learn more about it, but ordinarily if a question arises in the minds of the Appeal Board concerning our value they can ask that we send somebody else out to make that appraisal, even if we have to bring them from some distance.

Mr. Howard (Okanagan Boundary): This was not what your officers told the applicant in this case.

The Chairman: Thank you, Mr. Howard. I now recognize Mr. Korchinski and then Mr. Pringle.

Mr. Korchinski: What rate of interest did you charge on any default under the old system?

• 2200

Mr. Owen: One half of one per cent in excess of the rate in the mortgage.

Mr. Korchinski: And what is the rate of interest that you charge on any default under the new system?

Mr. Owen: One half of one per cent above the rate in the mortgage.

Mr. Korchinski: Good. It is nice to see some consistency.

The Chairman: Thank you, Mr. Korchinski, Mr. Pringle, Fraser Valley East?

Mr. Pringle: Mention was made of economic units and criteria. There is developing all across Canada so-called marketing units which are effective procurement commissions. These units are made up of small farmers who, from a marketing standpoint only, are actually economic units. These farmers' ability to earn has been enhanced by their participation in economic units. We have some very successful operations like this in British Columbia. However, if you appraised each individual farmer on the basis of his fixed assets you might find that he would not comply with the necessary criteria. Do you take this into consideration when considering the applications of these people?

Mr. Owen: Our criteria is based on his income. Regardless of what particular source his income might come, this is what we use

as a basis for establishing value and also for establishing whether or not it is an economic unit. I am sure that any economic advantage he has from this arrangement would reflect itself in our evaluation of the property.

Mr. Pringle: Thank you very much.

The Chairman: Gentlemen that concludes our questioning of Farm Credit Corporation witnesses. I am sure you would wish me to express your appreciation to Mr. Owen and

his officials for the very competent manner in which they have answered your questions. They have done a wonderful job and we are grateful to you, Mr. Owen, and to your officials.

Item 70 agreed to.

The Chairman: Gentlemen, we will adjourn until Tuesday at which time we will consider and conclude, I hope, health of animals, and Item 1.

OFFICIAL REPORT OF MINUTES
OF
PROCEEDINGS AND EVIDENCE

This edition contains the English deliberations and/or a translation into English of the French.

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Translations under the direction of the Bureau for Translations, Secretary of State.

ALISTAIR FRASER,
The Clerk of the House.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament
1968

Government
Publications

STANDING COMMITTEE
ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 10

TUESDAY, DECEMBER 3, 1968

Revised Main Estimates (1968-69) relating to Agriculture

WITNESSES:

Mr. S. B. Williams, Deputy Minister of Agriculture; *and from the Health of Animals Branch:* Dr. K. F. Wells, Veterinary Director General; Dr. W. A. Moynihan, Program Co-ordinator; Dr. C. K. Heatherington, Director, Meat Inspection Division.

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968

STANDING COMMITTEE
ON
AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (*Lac-St-Jean*)

and Messrs.

Barrett,	Howard (<i>Okanagan</i>	Ritchie,
Cadieu (<i>Meadow Lake</i>),	<i>Boundary</i>),	Roy, (<i>Laval</i>),
¹ Clermont,	Korchinski,	Smith (<i>Saint-Jean</i>),
Cobbe,	Lambert (<i>Bellechasse</i>),	Southam,
Côté (<i>Richelieu</i>),	Lefebvre,	Stewart (<i>Okanagan-</i>
Douglas,	Lind,	<i>Kootenay</i>),
Foster,	Moore (<i>Wetaskiwin</i>),	Thomson (<i>Battleford-</i>
Gauthier,	Muir (<i>Lisgar</i>),	<i>Kindersley</i>),
Gleave,	Peters,	Whicher,
Horner,	Pringle,	Yanakakis,
		Yewchuk—30

Michael A. Measures,
Clerk of the Committee.

¹ Replaced Mr. Cyr on November 29, 1968.

ORDERS OF REFERENCE

FRIDAY, November 29, 1968.

Ordered,—That the name of Mr. Clermont be substituted for that of Mr. Cyr on the Standing Committee on Agriculture.

TUESDAY, December 3, 1968.

Ordered,—That the names of Messrs. Horner and Moore be deleted from the Order of Reference dated November 27, 1968 relating to the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

MINUTES OF PROCEEDINGS

TUESDAY, December 3, 1968.

(11)

The Standing Committee on Agriculture met at 9:44 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Côté (*Richelieu*), Foster, Gauthier, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), Lefebvre, Lessard (*Lac Saint-Jean*), Lind, Moore (*Wetaskiwin*), Muir (*Lisgar*), Peters, Ritchie, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Whicher, Yanakis—(23).

Also present: Mr. Downey, M.P.

In attendance: Mr. S. B. Williams, Deputy Minister of Agriculture; and from that Department's Health of Animals Branch: Dr. K. F. Wells, Veterinary Director General; Dr. W. A. Moynihan, Program Co-ordinator; Dr. C. K. Heatherington, Director, Meat Inspection Division; Dr. J. Frank, Director, Animal Pathology Division; Dr. A. E. Lewis, Associate Director, Contagious Diseases Division; Mr. R. D. MacMillan, Administrative Officer.

The Committee resumed consideration of items 40 and 45 of the 1968-69 Revised Main Estimates relating to Agriculture under the heading

HEALTH OF ANIMALS.

The Chairman introduced Mr. Williams and Dr. Wells, the latter of which introduced the others in attendance.

Mr. Williams and Dr. Wells were questioned, assisted by Dr. Moynihan and Dr. Heatherington.

On completion of the questioning, the Chairman thanked the witnesses.

Items 40 and 45 were carried.

At 11:00 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday 3 December 1968.

The Chairman: Gentlemen, we will begin the meeting.

• 0944

We have with us this morning the Health of Animals Branch. We are considering items 40 and 45. The majority of you will know that we have had the Health of Animals Branch with us for two meetings, and I presume that members who may not have been on the Committee for the previous meetings will have read reports Nos. 5 and 6. It would be an unwise use of the time of the Committee to repeat the questioning that already appears in these reports.

I am pleased to have the Deputy Minister with us this morning, and Dr. Wells.

Mr. Deputy Minister, would you like to say a word?

Dr. Wells, perhaps you would introduce the gentlemen with you this morning, in case there are some additions.

Dr. K. F. Wells (Veterinary Director General, Health of Animals Branch, Department of Agriculture): Mr. Chairman, starting on the far end are Dr. J. F. Frank, Director, Animal Pathology Division, Health of Animals Branch; Dr. C. K. Heatherington, Director, Meat Inspection Division, Health of Animals Branch; Dr. A. E. Lewis, Associate Director of Contagious Diseases, Health of Animals Branch; Dr. W. A. Moynihan, Program Co-ordinator for the Branch; and Mr. R. D. Mac-Millan, Administrative Officer for the Branch.

• 0945

The Chairman: Thank you. I am ready to receive questioners. I recognize Mr. Horner (Crowfoot), followed by Mr. Foster.

Mr. Horner: Dr. Wells, I regret not being here earlier, but I was away serving on another Committee at the time you were before the Committee previously.

In reading over Issue No. 6 of November 14, I noticed on page 76 you said that this

year applicants were sent a questionnaire asking them to signify their intent and what they purported or hoped to do with the Charolais cattle.

Dr. Wells: Yes, that is correct. It was a project proposal, Mr. Chairman.

Mr. Horner: Was there a question asking whether the applicant was a Canadian citizen?

Dr. Wells: No, there was not.

Mr. Horner: The reason I ask this question, Dr. Wells, is that there is a great influx into Alberta of American people buying ranches for the purpose of obtaining Charolais permits and for the purpose of becoming ranchers in Alberta to take advantage of our co-operative laws in setting up the Grosse Isle quarantine station.

I think that would have been a good question to ask. If they are not Canadian citizens, do they intend to take out Canadian citizenship when they have served their five years in Canada, or something like that. Did the Department, at any time, think about asking that question?

Dr. Wells: Well, we did visit every applicant to ascertain that they did have facilities and were in fact, farming or ranching, in other words had livestock facilities in order to maintain the cattle they imported.

Mr. Horner: I do not suppose it would do much harm to name the party I am thinking of. Mr. Murray, I think, was the name, one of the biggest ranchers in Hawaii, one of the big ranchers in the United States. He came to Canada and bought out one of the beginners in the Charolais industry in Canada. I think it is near Lacombe.

He bought his ranch and his cattle. It is difficult to convince me that he, with his enterprise as big as it is in the United States, in buying that ranch, in buying that pioneer in the Charolais industry in Canada, is doing it for the Canadian livestock industry.

Dr. Wells: What was the gentleman's name?

Mr. Horner: I think it was Murray. I could be wrong. He bought out James in Lacombe.

Dr. Wells: Rodney James.

Mr. Horner: He bought his Charolais cattle, his ranch, the whole business. He is well known. He is a major breeder in the United States, in Hawaii, and so on. Do you remember anything about that particular case?

Dr. Wells: I do not think the name is Murray. That name is not familiar to me. I know the man of whom you speak, but I cannot think of his name.

Mr. Horner: Well, then it is better we do not name him. As long as you know the case I am talking about.

Dr. Wells: As I recall, he did not apply for an import permit.

Mr. Horner: But he did not have to after having bought the original stock of Mr. James. He has the foundation breed in Canada, really.

The Chairman: Of course, you could not prevent that.

Mr. Horner: No, you could not prevent that. You could not prevent him buying it.

I used him only as an example of why I believe the Department should give serious consideration to placing on the questionnaire: "Are you a Canadian citizen? If not, do you intend to become one?"

It is of the utmost importance that we run the risk of the foot and mouth disease being spread in our livestock industry. We Canadian ranchers, run that risk. We, in the Canadian Government, run that risk.

• 0950

We should define first that we are running the risk. I think, Dr. Wells, that we are running the risk for the Canadian livestock industry, and the sole purpose of bringing these cattle in is—I would like to hear the Department say this anyway—to improve the Canadian livestock industry, and the Canadian rancher's competitive position with other nations. If we accept that philosophy, then we should ascertain who these breeders are working for. Are they working for the Canadian industry or some other industry? And that is why I would have that question on top of the sheet of paper.

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): Mr. Chairman, if I might say a word. First of all I must say

this, that the situation that Mr. Horner has described is one that has caused this Department some concern. This very definitely is our objective, and I have stated this objective in bringing these cattle into this country, namely to provide a source of seed stock that will be of assistance to Canadian producers.

The difficulty that we have seen in this matter—I do not think that we have forsaken this position at all—the difficulty is exactly the one that he has described. There is nothing to stop a Canadian who has brought these cattle in, quite validly, from then selling his lot, stock and barrel, or the cattle or anything else.

We have taken the position that the best way to really reserve these cattle for Canadian use basically, is to place an embargo on their exportation, which has been done, on the grounds that this might deter the type of thing that you have described, which does concern us, as I say. And it does at least take some steps towards ensuring that the cattle are used for Canadian purposes.

Now, having said that, I must say that we are concerned about these matters and we are trying to devise ways and means of meeting that objective that we have set for ourselves.

Mr. Horner: Just to carry that embargo idea one step further. Am I correct in assuming that the embargo now is absolute, that it is not just for three years?

Mr. Williams: At the present moment there is an embargo on the movement of all purebred Charolais cattle, irrespective of their origin, under the Export and Import Permits Act of the Department of Trade and Commerce.

However, permits are issued under that embargo. At present no full French animals that originated in France are being given permits, nor are any full French female offspring of these animals. However, the other ones for which a normal trade exists, that is to say crossbreds or halfbloods and straight Canadian or straight American ones, are traded freely, other than that they still require a permit.

Mr. Horner: I am pleased to see the Department take that step. A few years ago I urged the Department to do that. I would not want to accept any of the credit for it having been done, but I am pleased that we are in agreement.

Now, to go another step further. On page 79 of Issue No. 6, Dr. Wells, you suggested

that in issuing the permits—I will just use the figures roughly and you can correct me if I am wrong—I think there were something like 1,700 applicants this last year, and you issued something like 235 permits. Could you give us those figures, so that the Committee would know full well what we are discussing here?

Dr. Wells: Three hundred and thirteen applicants, and we issued one hundred and forty-one permits.

Mr. Horner: I was thinking of the previous year, I guess, when you had the huge number.

Mr. Williams: Or maybe the applications, the number of animals?

Mr. Horner: When I said applicants I meant the number of applications for permits.

Mr. Williams: Individuals applying, or the number of animals being requested?

Mr. Horner: Well, both, in a way.

Mr. Williams: The first figure is the number of people.

Mr. Horner: The 313?

• 0955

Mr. Williams: Yes, the number of people who applied, and the number of people to whom applications were issued.

The other figure, I may say, is much more difficult to arrive at in that many people ask for as many as we will give them. They would like to have a permit for 60 or 80, or figures of this nature. But do you recall, Dr. Moynihan, roughly the total number of animals that were...

Dr. Moynihan (Program Co-ordinator, Health of Animals Branch, Department of Agriculture): Close to 3,000 were specified.

Dr. Wells: Close to 3,000, but many of them were sort of open-end applications.

Mr. Horner: Yes, I can understand that.

Dr. Wells: But in relation to that, Mr. Chairman, we get letters applying. Then we send out the project proposal or the questionnaire, and it is not returned, so that we never know whether the original letter is in fact an applicant, or whether the project proposal is an applicant, and it would depend entirely upon how you counted them.

Mr. Horner: Yes, I can well understand it would be difficult to assess in that light, and

analyze them as full applicants unless they return it.

At the top of page 79, you suggest that in issuing the permits you give priority to artificial insemination units. This is the one criteria—and I looked through the questions—this was the one criteria I could find that you used as a preference. How many artificial insemination units would there be that would fully qualify? I could be a rancher whose dream is to get into the business of selling semen through the use of artificial insemination, but how many actually do it? There is one in Ontario here, a major one; there may be two in Western Canada. Am I right?

Dr. Wells: I am speaking from memory and I will correct this and put the proper figure in the record, but I think that this past year there were three artificial insemination units.

Artificial insemination units must be registered in accordance with other provisions of the Animal Contagious Diseases Act, and so we are aware who is and who is not an artificial insemination unit. A person simply cannot write in and say that he operates an artificial insemination unit. If my memory serves me correctly there were three involved this past year.

Mr. Horner: Are these units importing only bulls, or do they import heifers and attempt to develop a strain?

Dr. Wells: No, it is bulls only.

Mr. Horner: Bulls only. So they are really not the big importers or not the difficult ones?

Dr. Wells: No. They in fact are servicing the commercial industry.

Mr. Horner: To carry the issuing of permits a little further. This past year there was a great deal of complaint with the lateness of the Canadian Department of Agriculture issuing or signifying who, in fact, got the permits. There was a great deal of complaint about the lateness of the year. As I understand it, and you can correct me if I am wrong, the calves nearly have to be weaned and in the quarantine station in France by about August 1, am I right?

Dr. Wells: This is correct. Early August. We shoot for the first to the ninth and the fifteenth of August.

• 1000

Mr. Horner: And yet this past year—I am just guessing; you can correct me if I am

wrong—I think it was well into July before ranchers and farmers were told they were to be given “X” number of permits.

Dr. Wells: I do not have the exact date. Was it July 17 that they were issued?

Mr. Horner: I am not condemning anybody; I do not get my work done as fast as I would like; but do you not agree that the Department, or the Government, or whoever gives the final authority, should aim at an earlier date than that?

Dr. Wells: Yes; and in fact we usually do, sir.

Mr. Chairman, this was not a matter of not having the work done. We were having difficulty in being able to assure ourselves that our testing material, blood samples, tonsil scrapings and other specimens could be obtained from the Charolais area of France and up to Paris for testing.

Tonsil materials has to be out of the animal and into the laboratory for testing in definitely not more than 24 hours.

In addition to that we had problems in obtaining reasonable assurance that the animals could and would be transported from the Charolais area to the Brest quarantine station, in accordance with our requirements. This is a non-stop operation under our supervision.

A delay in the permits was created simply because the situation in France this summer was so difficult that we could not be assured of adequate transportation of our specimens to the Paris laboratory from the Charolais area, nor could we be assured of adequate through transportation for the livestock.

Mr. Horner: Why was it more difficult this year? You said that in other years this was not a problem.

Dr. Wells: Our information was, of course, that in France this spring and summer, there were some difficulties with transportation and other things.

Mr. Horner: In an optimum situation when do you consider would be the best time to get these permits out? In my opinion it would be something like two or three months earlier than last year.

Dr. Wells: A month is adequate time in advance; although we try to get them out six weeks to two months in advance.

Mr. Horner: Dr. Wells, am I correct in suggesting that a committee, the name of which, I cannot remember, assisted you this year in appraising the various applicants?

Dr. Wells: Yes; in fact, we had a project proposal committee which surveyed, and made recommendations to us on, all project proposals.

Mr. Horner: Having talked with this committee I have reason to believe that their recommendations were in no way followed. Am I right or wrong?

Dr. Wells: You are wrong, sir.

Mr. Horner: I am not in a position to argue with you. I am merely saying that they told me they were not. At least one of the members of the committee said that he could in no way see any similarity between the number of applicants approved and those that they recommended.

Dr. Wells: I would question that the committee member knew exactly whereof he spoke, sir. The project proposals that went to the committee did not have any names at all on them. This was done so that no finger could be pointed at the committee suggesting that they had had any influence other than on the actual project proposals that were before them.

Mr. Horner: Yes; this is true; he told me that. But he said that for anyone who knew the business and was engaged in it, it was not too difficult to appraise who the applicants really were. He said there were certainly no names mentioned that after the permits were issued in July he was phoned continually by annoyed breeders. He flatly denied, I think, publicly—at least he was quite public about it when I was within earshot—that he could see any similarity at all.

Dr. Wells: Mr. Chairman, I think there is some error. The recommendations of the committee were followed in considerable detail, although we did deviate in one recommendation. We accepted the committee's recommendations in total relative to the multiple import permit operations, but it was then decided that those who had imported previously and had maintained their imported animals at home should be entitled to some consideration. These people were given one animal, regardless of the project proposal level which had been assigned to them by the committee.

But the committee's recommendations on the multiple operations were quite closely adhered to.

Mr. Horner: What was the prime reason for granting some breeders six permits and for other breeders who also applied for six, being ruled out? They possessed the qualifications that you had suggested, too.

Mr. Williams: Mr. Chairman, if I may, I will answer that because it covers the broad matter of policy. First of all, let me go back a little bit. We asked a group of animal breeding experts within the Department how would they go about it if they had the responsibility for allocating these permits.

They generally agree that probably there would be more value to the Canadian livestock producer if, instead of spreading the animals out by one to as many people as possible, we tried to develop herds of some size and some excellence to give the breeder a wider genetic base on which to work.

This being the case, we moved to this project application form, let us call it. In it the prospective applicant was asked certain questions. It was all retyped so that there was no chance of identification by letterhead; we did not just blank it out. We retyped the applicable portions, and this committee, which consisted of officials from the department and one representative, each from a university and the Charolais breed association, was asked to assign a rating to each of these project applications.

This they did. They started with 1 as their top rating and 15 as their bottom rating, and the allocations were made depending upon the rating. In other words, all those who received a rating of 1 received six animals, and so on in descending order until we reached a rating of 8 at which point it was broken off; then the rating was done on the basis of one each to those people who had, in previous years, imported Charolais, had shown their interest in the business and had shown that they were planning to stay in the business by the fact that they had maintained on their own property all the animals they had imported previously.

In other words, Mr. Horner, we tried to compromise between the building up of herds of some size and excellence and the need to provide an animal to as many as possible of those who had asked for one.

Mr. Horner: The one fallacy in your system of allowing the committee to judge solely on

the basis of the applications is that if I had been a committee member I would have been at a disadvantage compared to you in that you knew who the people were, in a sense.

• 1010

As an applicant, I might have been able to hire a good writer who had an insight into what the Department, or the committee was looking for, and he could have written a beautiful application. Is there not the danger that the person with the ability not to raise Charolais cattle but to write a beautiful application could very well get the permit?

Mr. Williams: I think we would have to admit that that certainly is a defect in the system.

Mr. Horner: I have had complaints, for example, that one applicant got six and his hired man, or his herd boss, got six because they compared notes in writing their applications. They probably wrote very similar applications. I have not seen them. I am merely assuming that this could very easily happen. In another instance three or four brothers in Saskatchewan were each given six. The committee would be at a disadvantage there.

Dr. Wells: I do not think either of those two examples that have been reported to you are correct, Mr. Horner.

Mr. Horner: I am not going to argue whether or not they are correct. I have pretty good reason to believe they are. I may be out a little in the details, but the examples are there, in my belief anyway, until proven otherwise.

In the past I have tried to obtain a copy of the list of permits, but apparently the policy has been not to disclose it. Therefore, I feel reluctant to mention any names.

Mr. Williams: Relative to the disclosure of the list of names, the Department's policy has been that they are not disclosed while importation is under way. Once the importation is completed we have made these lists public.

Mr. Horner: You could settle my argument in a hurry by just listing the applicants who were approved on July 17.

Mr. Williams: But these importations are still underway at the present time. They are still in the quarantine station. Our reason for this is that it is a commercial operation. We feel that this is an agreement between the

department and the importer. However, once the cattle are released from quarantine we feel that our obligation is over and that it is then common knowledge.

Mr. Horner: In fairness, I will forego any further questions for the time being. Thank you.

The Chairman: We have this room until 11 o'clock, and I wish to recognize as many questioners as possible.

I will recognize Mr. Foster (Algoma).

Mr. Foster: Dr. Wells, my questions relate to the veterinarians who went to England last year on the outbreak of foot-and-mouth disease.

How many were sent, what was the cost to the government and what was the philosophy behind sending them? Was it merely a matter of assisting in an emergency in a friendly country, or was it to familiarize the veterinarians with this disease? Or is it a reciprocal thing, in that England would be prepared to assist Canada in a similar emergency?

Dr. Wells: Mr. Chairman, 12 veterinarians were sent to England. The cost to the Government of Canada was their air transportation to London, England, and return, together, of course, with their normal salaries.

All expenses, maintenance, and travel expenses in Britain during the course of their work with the foot-and-mouth outbreak were assumed by the Government of Great Britain.

The purpose of sending them was twofold. First of all, we do not have—and hope we never do—outbreaks of foot-and-mouth disease in this country. Therefore the first purpose was to give our veterinarians an opportunity to see and work with foot and mouth disease, become familiar with the routine for controlling it so that if the occasion should arise here, we would have a nucleus of people trained, and secondly, of course, to give assistance to the British veterinary service who were under very great stress and strain because of the magnitude of the outbreak at that time. Certainly, Doctor, there is no question in my mind that if we did get into a similar situation where our veterinary services were strained in any disease control that the British ministry would be the first to offer us veterinarians on a similar basis. In addition to Canadian veterinarians there were, of course, veterinarians sent to Britain from the United States, Australia, New Zea-

land and Ireland. I believe there were some from other countries too.

• 1015

Mr. Foster: The arrangement was completely satisfactory from our point of view, then?

Dr. Wells: It was, Dr. Foster; it was a very, very satisfactory arrangement, and, of course, our men received training and were of assistance to the British ministry at the time of a very difficult disease situation. Anything we can do to eliminate foot and mouth disease in any country anywhere in the world, bearing in mind the present trade situations and rapidity of transport, gives us just that much more assurance that we will not have an outbreak in Canada. If it were possible to assist the entire world to eliminate foot and mouth disease it would be advantageous from our point of view to participate.

Mr. Foster: My second question relates to the Animal Disease Research Institute which is proposed for the Greenbelt area. What facilities will this new Institute be providing to your Department, or your Branch, that are not already available in the old building?

Dr. Wells: There are two sets of buildings being planned. The first is a general laboratory which will encompass all of the normal animal disease and research work which is carried on today, except that it will provide the facilities we need, which unfortunately are not available today in our present quarters in Hull which were built in 1923. The other set will be a maximum security research operation and diagnostic laboratory where we can, in fact, deal and work with these serious epizootics such as foot and mouth disease, Rinderpest, African and swine fever, African horse sickness, Blue tongue—the full gamut of exotic diseases.

Mr. Foster: What is the status of this new Institute now? Is it going to be built this year or next year?

Mr. Williams: Mr. Chairman, I cannot give a direct answer to that. The latest information we have from the Department of Public Works, which is responsible for constructing it, and contained in a recent letter, is that priority decisions have yet to be made. I would anticipate, however, that the construction may be delayed somewhat. You appreciate some work is being done, but it is site preparation rather than actual construction.

Mr. Foster: In the meantime are you planning to farm out some of your research which cannot be carried on because the building is not there?

Dr. Wells: We are not farming out research, Dr. Foster, but we do, of course, have to farm out our testing. As an example, samples of the necessary foot and mouth testing done on the cattle imported through Grosse Isle must be sent from here to Perbriquet for the testing procedures. We are not equipped here to handle it, nor are we particularly anxious at this moment to have foot and mouth virus in the country in order to handle it. Until we have an adequate maximum security laboratory for such purposes, we dare not handle it.

Mr. Foster: That is all.

The Chairman: Thank you, Mr. Foster, I recognize Mr. Roy.

[Interpretation]

Mr. Roy (Laval): Thank you, Mr. Chairman. My question has to do with agriculture and it is mainly for information. I would like to know, for example, whether there will be any chance of finding out the main reasons for condemnation in a province or abattoir as well as the percentage killed. This would help detect the cause of disease. We have a lot of condemnations because of leukemia for example, I believe that this sort of detailed information would be useful to all members. Could we see or have the report at another meeting?

[English]

Mr. Williams: We might ask Dr. Heatherington to answer this. Dr. Heatherington, do we have a breakdown by province or by facilities, that is to say, by registered plant of the reasons for condemnation?

• 1020

Dr. C. K. Heatherington (Director, Meat Inspection Division, Health of Animals Branch, Department of Agriculture): Mr. Chairman, our present figures of primers deal with across the board from Canada wide rather than by provincial. We do have the provincial figures in our possession. As a general rule they are not published, although I do not see why they could not be made public if anyone wished to have them.

Mr. Williams: Mr. Roy, we would be glad to provide them by province. We may have

some difficulty in providing them by plants for obvious commercial reasons. This information is provided to us on a confidential basis. We might have to lump some plants; for example, if there were only one or two plants in a province, we might have to include them with some other province in order to provide averages that would not allow one plant to know exactly the business of its competitor. Subject to those reservations we would be glad to provide the Committee with a breakdown of that nature.

[Interpretation]

Mr. Roy (Laval): Does this apply only to agriculture?

[English]

Mr. Williams: For poultry only.

[Interpretation]

Mr. Roy (Laval): I believe that in the light of these figures we might determine the main cause of condemnation.

My second question is this. Are you having any research work being done on leukaemia, the blood cancer?

[English]

Dr. Wells: Yes. In response to your first question, we do list the primary causes of condemnations in packing plants today, but not, as Mr. Williams has indicated, by provinces. We follow very closely the primary causes of condemnation so as to have an indication of whether diseases are going up, or down, or whether there are any new diseases—this kind of pattern.

Secondly, we are doing considerable work on the disease leukosis in poultry. We have a very large project going in conjunction with the poultry research people of the Research Branch. If you wish details of that program, Dr. Frank, who is the Director of our Animal Pathology Division, would be quite prepared to give them to you. However, there is a large project.

The Chairman: Mr. Williams?

Mr. Williams: If I might supplement that information, in the last complete year, that is to say, the last fiscal year 1967-68 approximately one-third of all condemnations of chickens and fowl at registered plants resulted from leukosis conditions. Others resulted from, in descending order, CRD, emaciation, anemia and septicemia. There is quite a lot of others, but the numbers become relatively insignificant in terms of the total.

[Interpretation]

Mr. Roy (Laval): I thought that leukaemia was the main disease. Is there an improvement right now, as far as this disease is concerned?

[English]

Has there been any improvement during, let us say, the last two or three years?

Dr. Wells: No, on the contrary, sir, it is holding quite steady as a condemnation rate.

[Interpretation]

Mr. Roy (Laval): Are the condemnations about identical per area or per province? Is there more condemnations in one specific or given area as compared to another?

• 1025

[English]

All across the province.

Dr. Heatherington: Yes, the condemnation rates primarily in leukosis vary from province to province. At the moment I think the condemnation rate for leukosis would be almost equal in Ontario and Quebec. The next province would be either British Columbia or Alberta. There is very little in the Maritimes, and very little in Saskatchewan.

[Interpretation]

Mr. Roy (Laval): One last question. I notice here, in the estimates, on item No. 40, there is an increase in revenues. The increase is \$163,000. Could we have any information? What are the special services which are called for by the salting processes? In 1967-1968, there was an amount of \$840,000 for special services. And now, the amount is for \$1,003,300! What are the special services required by the salting processes?

[English]

Mr. Williams: I can answer that, Mr. Roy. This special services is overtime for which the packers pay, and we recover it from the packers. So there is a recoverable item which offsets that. Under our working system with the packers, there is a fixed hour of work for any employee. Under the meat inspection it is 40 hours a week, or has been 40 hours a week; it was changed quite recently under the new contract. If the plant requires a man to work longer hours, but not enough for an additional total shift, the plant is then required to pay him. We put an item in here and we have an offsetting return.

[Interpretation]

Mr. Roy (Laval): Thank you very much, Mr. Chairman.

Mr. Lambert (Bellechasse): Supplementary question, Mr. Chairman.

Do we have your permission for a supplementary, Mr. Roy?

Mr. Roy (Laval): Yes.

Mr. Lambert (Bellechasse): Would it be possible that a breeder, for example, send a certain part of his production to a slaughterhouse and, of this let us say 2 per cent is condemned and then in another packing plant the other part of the same cycle of production has a difference of 6 per cent condemnation rate. Is this possible?

[English]

Dr. Wells: Yes, Mr. Chairman, this is possible. It is known that when broiler chickens are raised in large numbers, in large broiler houses, that a considerable number of those chickens during their nine or ten weeks life will not move more than 25 or 30 feet from the watering and feeding bowl at which they water and feed. The disease therefore, even though it may be a very, very large broiler raising barn or room with up to 10,000 chickens in it, can be localized to very small areas and therefore in such a large broiler operation one can pick out any number of birds in one part of the operation where there would be a high condemnation rate for leukosis and a hundred feet away, in the same building and in the same room, there would be very, very little evidence of infection. If one wanted to be statistically sound, early in the morning you would have to divide the chicken house off into 10 or 15 foot compartments and take bird for bird to the different packing houses. Under such circumstances you would probably get an equivalent rate of condemnation.

• 1030

[Interpretation]

Mr. Roy (Laval): What we see quite often is that certain breeders choose the best poultry to send to one packing plant and those which are not so good to another packing plant and this accounts for the difference in the rate of condemnation. Sometimes, the best poultry goes to one packing plant and those which are not so good to another packing plant and then the difference in the condemnation rate is harped upon. This is not quite fair to our in-

spectors. If I understood correctly, I will get the break-down of condemnation statistics? Thank you.

Mr. Lambert (Bellechasse): Mr. Chairman, a very brief supplementary question. What happens to this poultry that is condemned? What happens at the packing plant?

[English]

Dr. Wells: The poultry is destroyed or rendered in rendering tanks, under the supervision of the departmental inspectors.

The Chairman: Thank you, Dr. Wells. May I return to my list of questioners. I recognize Mr. Moore, member for Wetaskiwin.

Mr. Moore: Dr. Wells, in the area of warble control, is this a provincial or federal problem?

Dr. Wells: This is a provincial matter, Mr. Moore.

Mr. Moore: I see. I just have one question on the bill relating to compensation for animals. Has there been any change in the policy of paying a greater amount for the condemnation of a very high priced animal, for example, a Charolais bull which is imported from France and which might have to be destroyed at any time?

Dr. Wells: There has been no basic change in that connection although, as Mr. Williams indicated in one of the earlier Committee meetings, a resolution is presently before the House with respect to the compensation sections of the Animal Contagious Diseases Act.

Mr. Moore: The regulations are in line with this particular problem, are they?

Dr. Wells: Of course, this would depend entirely, sir, upon the consideration of the House.

Mr. Moore: Yes, naturally. Thank you. That is all.

The Chairman: Thank you, Mr. Moore. I now recognize Mr. Muir, member for Lisgar.

Mr. Muir (Lisgar): Dr. Wells, I would like to take you back to the importation of cattle for a moment.

The Chairman: Will you use the microphone, Mr. Muir, please.

Mr. Muir (Lisgar): You listed four other breeds that were imported from France and

Switzerland, and I take it that France and Switzerland are the only two European countries aside from the British Isles that are approved for importation. Is that correct?

Dr. Wells: Yes, at the moment this is correct, sir.

Mr. Muir (Lisgar): Are these the breeds that are being imported?

Dr. Wells: Yes, they are, sir; Charolais, Simmental, Limousin and Main-Anjou.

Mr. Muir (Lisgar): When was the importation of these other breeds approved?

• 1035

Dr. Wells: We do not specifically concern ourselves with breeds, sir. We are concerned with cattle from the country which gives us the necessary disease control. The importers select the breeds and, in fact, they may select any breed they wish from these countries.

In addition to those four breeds, Pie-Rouge and Brown Swiss cattle have been imported.

Mr. Muir (Lisgar): You cannot break it down as to how many of the different breeds have been imported?

Dr. Wells: Yes, we can, sir. Dr. Moynihan could do that calculation and we could give it to you in about two minutes.

Mr. Muir (Lisgar): That is fine. While he is looking that up, I would like to know if these animals that are being imported are all top quality of their breed, or do you care whether they are or not?

Dr. Wells: Yes, we care, sir, but basically we do not enter into a judging of the quality of the animals which are imported. However, in principle, people who have to spend the kind of money necessary to import these cattle are seeking to buy good cattle.

Mr. Muir (Lisgar): Good cattle, yes. Then you would not care to briefly go into the main characteristics that sets the difference between the various types that are being imported.

Dr. Wells: No sir, except to say that as our breeders are looking for breeds which in their particular view—and, of course, there are as many views among livestock men as there are breeds of cattle—will give them quick growth; more beef at a lower cost.

Mr. Muir (Lisgar): Does the Department import any cattle?

Dr. Wells: Yes, sir. On two occasions the Research Branch of the Department of Agriculture have imported cattle. Last year they imported 10 Pie-Rouge. If I may, sir, in violation of our normal suggestions, indicate that this year the Research Branch of the Department also have a permit to import cattle. They are now in quarantine. This year they are Limousin.

Mr. Muir (Lisgar): Limousin, yes. What about this other breed, Simmental?

Dr. Wells: They are a beef breed from Switzerland.

Mr. Williams: I might say in further explanation of this that the Pie-Rouge cattle which are imported by the Research Branch are the French strain of the Simmental breed. As you know, it goes by a different name, as some dairy breeds do, in different parts of the world.

Mr. Muir (Lisgar): Have you done any research to find out if one particular breed is superior to others with respect to adjustment to our climate, weight gain, thriftiness, and everything else that goes into a good breed.

Dr. Wells: This comes under the Animal Research Branch operations of the Department, not the disease research. The reason for these importations by the Research Branch is to develop and assess these various breeds. This is why they brought in Pie-Rouge a year ago. This year they are bringing in Limousin.

Mr. Muir (Lisgar): You have no Charolais in the Department?

Dr. Wells: No. While I cannot—and perhaps should not—speak for the Research Branch, many Charolais have already been brought into the country and I think they feel that perhaps they can obtain their objective research information from people who have brought them in and who have kept records.

Mr. Muir (Lisgar): There are enough of them here now.

Dr. Wells: Yes. I have those figures, sir, if you wish. Since the commencement of the program we have imported—and this includes the group that are in quarantine at this moment—752 Charolais, 17 Simmental, 12 Pie-Rouge, 7 Limousin, 2 Brown Swiss and 3 Main-Anjou.

Mr. Muir (Lisgar): That is also a French breed, is it, sir?

Dr. Wells: Yes, sir.

Mr. Muir (Lisgar): You have imported two of those, sir?

Dr. Wells: Three of the Main-Anjou.

Mr. Muir (Lisgar): Do you have any of these other breeds in quarantine at the present time?

Dr. Wells: Yes. At the moment there are 212 Charolais in quarantine and 8 Simmental. The 10 Limousin that were brought in this year were not included in that earlier figure. The earlier figure I gave you should read 17 Limousin instead of 7. This includes the 10 for the Research Branch.

Mr. Muir (Lisgar): Yes, I see.

Dr. Wells: At the moment there are 6 Limousin in quarantine, plus the 10 for the departmental Research Branch, making a total of 16. There are also 3 Main-Anjou in quarantine at the present time.

Mr. Muir (Lisgar): Aside from cattle, do you take into quarantine any other animals such as sheep and swine before you bring them into the country? Perhaps you answered that question the other day when I was not here.

• 1040

Dr. Wells: Yes, we import sheep and swine. Of course, we import zoological animals through the maximum quarantine stations from other countries as well, but not from France or Switzerland. The maximum quarantine station at Grosse Isle is designed to receive animals from those countries which are not free of foot and mouth disease but which have an adequate control program upon which we can base sound importation procedures.

Mr. Muir (Lisgar): I asked that question because I understood a new breed of sheep was presently being imported from Finland, and a flock of them is supposed to be imported to the Edmonton area. Is the government doing any work on this or is this a private arrangement?

Dr. Wells: The particular importation of which you speak is private. However, again the Research Branch of the Department is interested and they have asked questions of us with respect to importations. However, as far as I know at the moment there are no specific plans for them to import, although they are—

Mr. Muir (Lisgar): Do you remember the size of the flock that was imported?

Dr. Wells: Two hundred and two. They were from Finland.

Mr. Muir (Lisgar): Two hundred and two. Are they principally imported for their wool or is it—

Dr. Wells: No. They are imported for both wool and lambs. They are reported to produce multiple births more than once a year.

Mr. Muir (Lisgar): Thank you.

The Chairman: Thank you, Mr. Muir. I now recognize Mr. Horner, member for Crowfoot.

Mr. Horner: I would like to follow up Mr. Muir's questions for a minute. Dr. Wells, the reason you import from France and Switzerland is because they have an adequate control program. Is that correct?

Dr. Wells: That is correct.

Mr. Horner: This is why Italy does not qualify. You do not believe they have an adequate control program.

Dr. Wells: This is correct, sir.

Mr. Horner: Yet there might well be areas in Italy that are free from foot and mouth disease, as there are such areas in France?

Dr. Wells: Yes. There may well be small areas in Italy which have a similar status to France and Switzerland. However, I should add that this is a new program. It is one of the first of its kind in the world, and we are developing it. In fact, we are looking at the Italian situation, but at the moment they simply do not have an adequate national control program on which we could depend in order to build into it the safety which we require.

Mr. Muir (Lisgar): May I ask a supplementary?

The Chairman: Yes.

Dr. Wells: I might add that the Italian authorities are just commencing a new foot and mouth program, so they are moving into this area.

The Chairman: Mr. Muir, member for Lisgar, on a supplementary.

Mr. Muir (Lisgar): I was amazed to find on a recent trip to Europe that in one city alone

they were eating 700 horses a week. When they have breeds of cattle that obviously put on weight and reach maturity much faster than a horse—and I am only asking for an opinion—why would they consider raising horses for human consumption when a horse must be at least two years old before it is ready...

Dr. Wells: I think there are two considerations here. These horses are not raised specifically for human consumption, they are raised for other purposes and at the end of the road they are simply slaughtered for human consumption. Also, there is a considerable dietary preference in Europe which people ask for and, of course, can obtain horse meat. But they are not, in fact, raised specifically for this purpose.

Mr. Horner: It is a fat-free meat.

Mr. Muir (Lisgar): Would you not consider, though, for the supply of one city alone at 700 a week—they must have a lot of horses lying around idle I would say.

Dr. Wells: It is a lot of horse meat.

The Chairman: Mr. Horner?

Mr. Horner: What is the position with regard to the importation of land raised hogs from Denmark? Do they strictly prohibit the export of their hogs?

Dr. Wells: They have, up until this moment, prohibited the export of land raised hogs from Denmark although we do get land raised hogs, of course, from Britain and Norway.

• 1045

Mr. Horner: Has there been any success with artificial insemination in the hog breeding program?

Dr. Wells: It is gradually developing. There is some difficulty, gradually being overcome, in freezing swine semen which, as you know, is well established in the bovine or cattle industry, Mr. Horner.

Mr. Horner: Have the Danes attempted in any way to promote the export of the semen of their breed?

Dr. Wells: Not to my knowledge.

Mr. Williams: I would say quite the opposite.

Mr. Horner: Quite the opposite. That is the point I want to establish; what they are doing with their seed stock.

Now, to get back to the Charolais question, Dr. Wells, you stated that the committee report was followed fairly closely with one exception, if I am right.

Dr. Wells: Yes.

Mr. Horner: You admitted, Mr. Williams, that there was a weakness in following that report with regard to the applicant's ability to file a good application; this you admitted was a weakness. Was any actual inspection of the farms carried out by the Department, and I think you suggested earlier that there was.

Dr. Wells: Yes, our veterinary officers visited each applicant to confirm that he was a legitimate livestock operator.

Mr. Horner: Did you go any further into that idea? Legitimate operator, yes, but what kind of legitimate operator?

An hon. Member: Very legitimate.

Mr. Horner: Well, I think there are more adjectives than that; I would like to say good, bad, or indifferent.

Mr. Whicher: If you are legitimate you cannot be bad.

Dr. Wells: It would be rather presumptuous we felt, on our part, to decide whether a man was a good breeder or a bad breeder or whether the lack of good buildings indicated a similar lack of knowledge. We were primarily concerned that these applications were coming from people who were indeed in the livestock industry.

Mr. Williams: I think there were only two questions involved in this visit. I think one was whether or not, in fact, he did have facilities that would be commensurate with the type of operation he described under his project proposal. Second, we determined, if he had been a previous importer, whether or not he still owned and had the animals that he had imported previously. That was the basis, as I pointed out earlier, for the second level of issuance of permits.

Mr. Horner: You had the committee that worked on the project proposal applications categorize them from numbers 1 down to 15, but in no way did you attempt in your inspection to categorize them in A, B and C in efficiency or their appearance of efficiency in promoting the breed, or anything else?

Dr. Wells: No. This was, in fact, the first year that a project proposal to this extent had been requested. Now, next year—not this coming spring but certainly the following year—when the cattle are out we will be able to visit and we intend to visit to ascertain that the project proposal is in fact being fulfilled, but on the first occasion there was nothing on which to build.

Mr. Horner: Then, in fact, you intend to categorize them, maybe not the first year but in mind, at least, you will.

Dr. Wells: Being human beings, we cannot help it. We will ascertain whether, in fact, they are fulfilling what we consider to be their obligation under their project proposals.

Mr. Horner: And then are you going to carry on with the same committee's appraisal, or what is your intention in that regard?

• 1050

Mr. Williams: I think I will have to say here, Mr. Horner, that no decision has yet been made about the procedure. We would hope to try to improve the procedure somehow this year. We are having a group of people work on seeing what refinements could be brought in and we would appreciate any suggestions along the lines that you have made in order to improve this method. We do not consider it perfect by any means. We consider it as a developmental thing and we have tried to work with it as we go along and as difficulties have arisen.

Mr. Horner: You are tempting me to make a speech rather than ask questions. I think, and you can correct me if I am wrong, there should be three major criteria, the first one being working for the Canadian industry. The second one should be having the adequate facilities—the adequate ranch—and, in essence, the material capable to allow him to work for the industry. The third one should be his intent. In other words, I may have the greatest ranch in Alberta and I may think in the back of my mind that I am going to work for the industry, but not have any intent of really doing it, so I think you have to appraise all three.

The Chairman: What is your question, Mr. Horner?

Mr. Horner: My question is this: do you agree, Dr. Wells, that the use of any one of the three criteria I mentioned is a weakness, but by correlating the three or perhaps four

or five, one could come out with a pretty good breeder who would promote the foundation of seed stock in Canada?

Dr. Wells: Yes, Mr. Horner, I do. But I must, as a personal view, make one reservation and that is that I do not think it is sound to equate farm facilities with success in breeding.

Mr. Horner: Yes, that would tend to be true with regard to plant breeding, perhaps, more than livestock. With a rancher of the old stock the main system of weeding out the poorer cattle was the survival of the fittest. Unless you believe in that theory, which still has to be borne in mind in the bringing in of any new breed, I think you also have to look at the buildings and the ranch itself or the farm, whether it has the necessary material and facilities actually to fulfil the intent of the breeder's application.

The Chairman: Gentlemen, as I mentioned earlier, we have to vacate this room at 11 o'clock. I have Mr. Ritchie on my list...

Mr. Horner: I have one more question on another subject.

The Chairman: Is it a brief one?

Mr. Horner: My other subject—and I realize that I have been really brief this morning considering the short time we have been sitting—concerns TB testing and vaccination, Dr. Wells. I can honestly say in the constituency of Crowfoot, at least, they are reaching the saturation point of annoyance over this program, really. Now, they call it annoyance; I know you do not and justifiably so. Are you nearly finished with it?

Dr. Wells: If I may be very brief, Mr. Chairman, we are not through with TB testing or brucellosis testing. In fact, we will never be through with it. We are through with vaccination as far as we are concerned and we are attempting to de-emphasize vaccination.

Mr. Horner: Calfhood vaccination.

Dr. Wells: Yes, calfhood vaccination, but with respect to tuberculosis and brucellosis we have turned very, very extensively to surveillance programs which means that we keep a check. For any individual farmer or rancher who wishes to go along with the program and back-tag his cattle as they go to slaughter, the actual findings of each one of his cattle going to slaughter are reported and kept on a file. If

at the end of the three, six or nine-year period—depending upon the disease and the circumstances in the areas concerned—his record and file shows that his cattle, having been slaughtered, do not have any evidence of this disease, he is not bothered so far as his test is concerned.

• 1055

Therefore, primarily any farmer who wishes not to be bothered with respect to the required TB and brucellosis test need only play a very small part with respect to our surveillance programs. It saves him the bother of our coming and testing his cattle and it saves us about two-thirds of the cost of testing his cattle.

Mr. Horner: Have you ironed out the difficulty you ran into in the exporting and clearing of cattle going to Russia, for example? Some of the tests—some of the cattle were coming back—

Dr. Wells: The Russians are, of course, very demanding so far as their testing procedures and the tests are concerned and we do have some reactors, but by and large we are always in a position to find the number of cattle that are required by the Russians to fulfil their disease-free conditions. In this country, Mr. Chairman, we can find more disease free cattle than any other country in the world and we will continue to supply the Russian demands.

The Chairman: May I recognize Mr. Ritchie, Dauphin.

Mr. Ritchie: Dr. Wells, is your Department involved in the inspection and grading of carcasses, particularly in small plants?

Dr. Wells: No, sir, the actual grade of cattle, beef and pork primarily is the responsibility of the Livestock Division of the Production and Marketing Branch; we are concerned with wholesomeness and health. Now, I must say that in some very, very small plants where it would be economically unsound for the Department to have both grading staff and Health of Animals Branch wholesome staff, we do the grading for the Production and Marketing Branch merely to save the cost of having extra people there, but primarily it is not our responsibility.

Mr. Ritchie: I ask this because two quite small plants in my area, I believe, are having some difficulty in getting grading and

inspection, and so on, I believe it is a problem.

Dr. Wells: May I inquire what area, sir?

Mr. Ritchie: Dauphin, Manitoba.

Dr. Wells: Oh, yes.

Mr. Ritchie: I was wondering just who is responsible directly and whether you run into this problem on occasion.

Mr. Williams: We can certainly look after it. This is the other side of the Department; it is the Production and Marketing Branch who have the responsibility for the grading and the inspection of carcasses. If you would let us have the cases, we would be pleased to look into them.

Mr. Ritchie: Yes, it is mostly a matter of information. Thank you.

The Chairman: Gentlemen, that completes my list of questioners. I am sure you would want me to express your appreciation to Mr. Williams...

Mr. Peters: Mr. Chairman, just before you do could I ask one question? What responsibility does the Health of Animals Branch have in this pregnant mare operation?

Dr. Wells: We have no specific responsibility, Mr. Peters, but because of the considerable public interest a couple of years ago we had our officers visit the majority of these premises. In addition to that we have, of course, discussed the matter with the firm who are primarily concerned in Canada.

Mr. Peters: Are you satisfied that this is not quite an abuse of horses?

Dr. Wells: I would say, sir, that we are reasonably satisfied that this is not an abuse of horses.

Mr. Horner: It is a heck of a lot easier than pulling a plow.

The Chairman: Thank you, Mr. Peters. As I was about to say—

Mr. Peters: May I ask one other question? What about the colt operation that takes place in this?

Dr. Wells: This is not our responsibility.

Mr. Peters: Why not? There are a heck of a lot of complaints in my part of the country about the number of, I would say, three or four day-old colts that come in. Most of them died. They are dumped on the market to get rid of them and obviously this is a pretty shabby set-up. Truckers coming in to community sales barns load up with 20 or 30 of these and dump them on the market. They are much too young. There is no supervision concerning the age of putting them on the market. Even calves could not put on the—

Mr. Williams: If I might say a word, the responsibility for this comes under the humane section of the Criminal Code which in Canada, of course, is administered by the Attorneys General of the provinces concerned.

• 1100

The Chairman: Thank you, gentlemen. May I conclude by extending your appreciation to Mr. Williams, Dr. Wells and the other gentleman who have attended our deliberations this morning. Shall Item 40 carry?

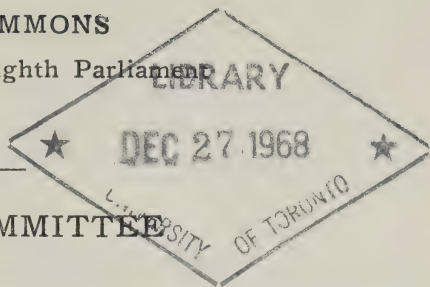
Item 40 agreed to.

The Chairman: Shall item 45 carry?

Item 45 agreed to.

The Chairman: Thank you, gentlemen. The meeting is adjourned to the call of the Chair.

HOUSE OF COMMONS
First Session—Twenty-eighth Parliament
1968



STANDING COMMITTEE
ON

AGRICULTURE

Chairman: Mr. BRUCE S. BEER

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 11

THURSDAY, DECEMBER 5, 1968

Revised Main Estimates (1968-69) relating to Agriculture

INCLUDING FIRST REPORT TO THE HOUSE

APPEARING:

The Honourable H. A. Olson, Minister of Agriculture.

WITNESSES:

From the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; Dr. J. C. Woodward, Assistant Deputy Minister (Research); Dr. R. Poirier, Assistant Deputy Minister (Economics).

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968

STANDING COMMITTEE

ON

AGRICULTURE

Chairman: Mr. Bruce S. Beer

Vice-Chairman: Mr. Marcel Lessard (*Lac-St-Jean*)

and Messrs.

Barrett,
Clermont,
Cobbe,
Côté, (*Richelieu*),
² Danforth,
Douglas,
Foster,
Gauthier,
Gleave,
Horner,

Howard (*Okanagan
Boundary*),
Korchinski,
Lambert (*Bellechasse*),
³ La Salle,
Lefebvre,
Lind,
¹ McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),
Peters,

Pringle,
Roy (*Laval*),
Smith (*Saint-Jean*),
Southam,
Stewart (*Okanagan-
Kootenay*),
Thomson (*Battleford-
Kindersley*),
Whicher,
Yanakis—30.

Michael A. Measures,
Clerk of the Committee.

¹ Replaced Mr. Cadieu (Meadow Lake) on December 5, 1968.

² Replaced Mr. Ritchie on December 5, 1968.

³ Replaced Mr. Yewchuk on December 5, 1968.

ORDER OF REFERENCE

THURSDAY, December 5, 1968.

Ordered,—That the names of Messrs. McKinley, Danforth and La Salle be substituted for those of Messrs. Cadieu (Meadow Lake), Ritchie and Yewchuk on the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

REPORT TO THE HOUSE

THURSDAY, December 5, 1968.

The Standing Committee on Agriculture has the honour to present its

FIRST REPORT

Pursuant to its Order of Reference of Wednesday, October 16, 1968, your Committee has considered the items listed in the Revised Main Estimates for 1968-69, relating to Agriculture, the Canadian Dairy Commission, the Canadian Livestock Feed Board and the Farm-Credit Corporation.

Your Committee commends them to the House.

A copy of the relevant Minutes of Proceedings and Evidence (*Issues Nos. 1 to 11 inclusive*) is tabled.

Respectfully submitted,

BRUCE BEER,
Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, December 5, 1968.

(12)

The Standing Committee on Agriculture met at 9:48 a.m. this day, the Vice-Chairman, Mr. Lessard, presiding.

Members present: Messrs. Barrett, Cobbe, Côté (*Richelieu*), Douglas, Foster, Gauthier, Gleave, Horner, Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), Lind, Moore (*Wetaskiwin*), Peters, Pringle, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Stewart (*Okanagan-Kootenay*), Yanakis—(19).

In attendance: The Honourable H. A. Olson, Minister of Agriculture; and *from the Department of Agriculture:* Mr. S. B. Williams, Deputy Minister; Dr. J. C. Woodward, Assistant Deputy Minister (Research); Mr. W. E. Jarvis, Assistant Deputy Minister (Production and Marketing); Dr. E. Poirier, Assistant Deputy Minister (Economics).

The Committee resumed consideration of item 1 of the 1968-69 Revised Main Estimates relating to Agriculture, namely

ADMINISTRATION.

The Vice-Chairman welcomed the Minister and the others in attendance.

The Minister was questioned, assisted by Mr. Williams, Dr. Woodward and Dr. Poirier.

In response to a question of Mr. Douglas, Mr. Williams agreed to have forwarded to the Clerk of the Committee, for the members, copies of the report of the Federal-Provincial Agricultural Outlook Conference 1968.

Also in the course of the questioning, it was agreed that the following document, referred to by Mr. Williams, would be printed as an Appendix to today's Minutes of Proceedings and Evidence (*See Appendix B*):

COMPARATIVE PRICES PAID BY FARMERS FOR SELECTED FERTILIZERS, CANADA AND U.S.A., 1966 and 1967.

On completion of the questioning, item 1 was carried.

In a discussion which followed, a motion was made by Mr. Gleave concerning the Board of Grain Commissioners. The Vice-Chairman deemed the motion to be out of order.

Following some further discussion, it was agreed that the Revised Main Estimates for 1968-69 relating to Agriculture, the Canadian Dairy Commission, the Canadian Livestock Feed Board, and the Farm Credit Corporation, all having been carried, would be reported and commended to the House.

On behalf of the Committee, the Vice-Chairman thanked the Minister and all officials who attended on the matter of the referred estimates.

At 12:11 p.m., the Committee adjourned to the call of the Chair.

MICHAEL A. MEASURES,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, December 5, 1968.

The Vice-Chairman: Gentlemen, we do not have our full quorum right now. The Minister is with us for only a few minutes more because he has to join a Cabinet meeting, so I think we should carry on with our business for the day, expecting that we will have our quorum later on. Is it agreed?

Some hon. Members: Agreed.

The Vice-Chairman: We now resume discussion of Item 1 of the 1968-69 Revised Main Estimates relating to the Department of Agriculture's administration. In addition to the Minister, we have with us the Deputy Minister, Dr. Woodward, Mr. Jarvis and Dr. Poirier. As we have already heard the opening statement by the Minister at our second meeting on October 28, I think that unless the Minister has something to add we will come to the question period right away. I will recognize members as they raise their hands.

Hon. H. A. Olson (Minister of Agriculture): Mr. Chairman, I would like to say at the outset that I do not have any further statement to make at this time. I would prefer to answer questions so that we are talking about the things that the members of the Committee are particularly and specifically interested in talking about.

There is a Cabinet meeting at ten o'clock, and if I am called to that meeting I will have to leave, but I have asked that I be given an opportunity to stay with the Committee as long as possible this morning.

The Vice-Chairman: Thank you, Mr. Minister. I recognize Mr. Southam.

Mr. Southam: Mr. Minister, we appreciate that you, through necessity, have been out of the country for a few days, and I believe up into Western Canada in the last day or two. In light of the serious situation that has been developing in Western Canada due to damp grain, would the Minister like to indicate to the Committee now what steps the govern-

ment might be taking in this respect, or what action can be taken to alleviate the serious situation?

• 0950

Mr. Olson: Yes, I could. I have read the debates that have taken place, or the exchanges that took place during the question periods on two days in particular when this matter seemed to dominate the question period in the House of Commons while I was away.

It would be, of course, repetitious to go over some of the actions that have been taken, but I think perhaps it would be useful to bring the Committee members up to date on these matters, and further, to say that there is developing, and indeed it has been going on for some days, a very high degree of co-operation between the various branches of the federal government or its agencies, such as the Canadian Wheat Board and the Board of Grain Commissioners, and the provincial departments of agriculture as well as the grain trade, in moving as rapidly as is physically possible to co-ordinate all the efforts that can lead to dealing with this problem.

It is not clear, and it cannot be completely clear, how big the problem is or the magnitude of the volume of grain that is involved or, indeed, how much of it contains so much moisture that there is a real risk involved. It is not clear how much is down in those other areas around 16.5 per cent, 16 per cent, 15 per cent, and in there, which is tough grain, but of course there is no great problem of it spoiling, at least not in this kind of weather. I can tell you about the drying operations at the Canadian Government elevators, and this is of yesterday.

The Edmonton dryer is operating 24 hours a day, seven days a week, and there is sufficient grain there to continue on this basis. The dryer at the Calgary terminal is operating 24 hours a day, seven days a week, but they have had times when there was not sufficient grain right there to keep it up, but 80 cars of damp grain are expected in there over

the weekend. So this will put sufficient grain right on hand for them to continue at that pace.

The Saskatoon dryer is operating 24 hours a day, seven days a week. They too are occasionally running out of grain, but they expect to have sufficient to keep up this pace by the middle of next week. The Moose Jaw dryer is operating 24 hours a day, five days a week. More frequently they have been running out of grain because Moose Jaw is not in one of the areas where large volumes of damp grain are located, and so it has been a bit difficult to arrange the shipping so that lots of tough and damp grain move into this elevator in exact ratio to the capacity to move it out again. They expect 140 cars of tough grain into Moose Jaw by the beginning or middle of next week.

At Prince Rupert we have only very small drying equipment; it has a small capacity. I am not sure of the exact capacity of that dryer, but it has been operating five days a week, 16 hours a day. One of the problems there is that this is also an export terminal, and it is my information that they have to leave some capacity there for rapeseed and flax that is going out through that terminal, and there is only the one elevator there to accommodate this export. This complicates the physical requirement of keeping it going full blast.

In addition to this, I was in Calgary on Tuesday, December 3, and I suggested to the delegates assembled there that the grain companies are, in fact, in the best position to co-ordinate the efforts of utilizing the farm dryers and set them up in strategic positions, because they have the men in the field, they have the knowledge, they have the contacts, and I think it is also fair to say that they are far better equipped to do this. I did not get any positive response from them that they were willing to undertake this, but there certainly was no negative response either.

• 0955

I was talking to the Minister of Agriculture from Manitoba yesterday and he tells me that there are some grain companies there that are willing to undertake this co-ordination. I was unable to get a hold of the Minister of Agriculture from Saskatchewan because he was in Saskatoon at the Saskatchewan Farmers' Union convention. But this is developing into a co-ordinated effort by everyone involved.

The Board of Grain Commissioners have given assurance of the highest degree of co-operation in making sure that they do what they can to supervise and see that the grain is not damaged by overheating or any other thing that can badly damage it. As a matter of fact, the Board of Grain Commissioners have set up a free testing service to farmers to assist in the proper use of these dryers, and they are developing a program that will provide information and advice to provincial co-ordinating committees on locations and volumes of tough and damp grain, as well as the details in respect of these dryers and the location, capacity, and so on.

I have a telex here in front of me from the Board of Grain Commissioners that I have not yet read, but it relates to the Manitoba Department of Agriculture meeting. The Manitoba Department of Agriculture held a meeting on Monday, December 2, at which the trade was invited to discuss this farm drying. A provincial co-ordinating committee has been formed in Manitoba with representatives from the grain trade and the Department of Agriculture. The Board was also asked to name a representative. "A meeting to alert farmers on the problems of grain drying and to give advice". I have already mentioned that.

I am also advised that the University of Manitoba is going to hold a seminar on grain drying soon, perhaps on December 20. The Saskatchewan Department of Agriculture has called a meeting on farm drying for the morning of December 6 and the Board of Grain Commissioners will be there.

Mr. Southam: Mr. Minister, this whole debate, of course, got its incentive or origin from that statement that was made a week ago last Tuesday night by Mr. McNamara to the Canadian Transport Commission. I know that you appreciate, as I think we all do, that Mr. McNamara is one of the best qualified people in Canada on this whole problem of grain marketing and drying and all the other relative facts. It was his statement, and it is quoted here in the *Globe and Mail* as follows:

In October a survey indicated that 786 million bushels of deliverable grades of wheat were available for delivery in the current crop year, of which 380 million bushels were tough or damp.

The best information that we have—and you have this too, no doubt—is that in past experience in any year the most we have ever had to dry was 120 million bushels. Mr.

McNamara in his statement was, I think, overly optimistic when he said that we could dry 100 million to 150 million bushels of this grain because if you look at the total full running capacity of both the inland terminals and the export areas, that is, at Fort William, Port Arthur and at Vancouver, it amounts to only 12 to 13 million bushels a month.

• 1000

Now, to aggravate the situation this year, and this is what is so serious... This whole debate is non-partisan. It was introduced in the House while you were away, because of this statement of Mr. McNamara's, to alert the government and to alert the farmers themselves who have been sort of lulled into a state of complacency over it, because of the magnitude of the problem. Now, there is approximately 250 million bushels of grain to dry and I think we should have a survey made of the total drying capacity of all dryers that farmers have. We have dryers here in Ontario, possibly, that corn farmers and other farmers have used.

Perhaps there should be a policy developed in order to move these into position, because when you speak about drying grain for the next eight months, Mr. Minister, you and I know that when you get grain up to a moisture content as high as 30 per cent—and this is another thing; the variability of this moisture. It is not like some years when we took it off at 16 and 18, but in many cases it is strictly wet and it is now freezing.

You cannot move the stuff into drying position, because of the difficulty of unloading it at the terminals, coming out in lumpy, frozen chunks. I think it has to be done on the farms. When the quota was open to three bushels, this created another problem. It sort of gave the farmer a sense of complacency, feeling that something was going to be done. Well, you know and I know that we just cannot move this amount of grain and dry it with the terminal facilities so it has to be done on the farm, or we stand to lose a couple of hundred million bushels of grain between now and next spring.

There is no use in talking about eight months. The damage sets in as soon as the temperature goes up in the spring. I think—and I am speaking on a non-partisan basis—this is a major emergency and we have come up with some type of policy here in this Committee to recommend to farmers and to get as much drying equipment into their hands as possible.

Another problem is not only the availability of dryers, but the availability of cash on the farms. We went along here and amended legislation to make double cash advances which provided money to pay the farmers' fuel bills or repair bills, their taxes and current expenses, but that money has already been spent from the best knowledge that I have. Here they are sitting back on the farm now, lulled into a state of complacency and believing the 3 bushel quota will take this off their hands; it will not take half of it off their hands.

I think this is a major emergency and I know the Minister has given us an outline of what is being done as far as the dryers are concerned but this is not enough; it is not half enough.

Mr. Olson: Mr. Chairman, I am not quite sure that I could agree with that assessment of the situation. I am not trying to say that there is not a great problem, but the best information my Department could get as of yesterday is this: there is in the damp wheat category—that is moisture content—about 80 million bushels from 17 to 18 per cent; about 45 million bushels from 18 to 19 per cent moisture and 55 million bushels over 19 per cent, or a total of 180 million bushels in the damp category.

An hon. Member: Could you give those figures again?

Mr. Olson: Yes. I want you to understand that this is only estimates. This is the best we can do. About 80 million bushels in the category of 17 to 18 per cent; 45 million bushels 18 to 19 per cent and 55 million bushels over 19 per cent. In the tough category there are 100 million bushels from 16 to 17 per cent and 180 million bushels below 16 per cent. Of course, that would be between 14.5 and 16 per cent.

Perhaps there are one or two other things I should say. The terminal drying capacity at maximum is about 130 million bushels during the next six months and this, I think, is based on an operation that would withdraw up to 4 percentage points of moisture. Anything more than that, of course, has to go through a second time in some cases or they have to be very careful about raising the temperature enough to take out more than that on one pass through.

There is now, I think, additional drying capacity being installed at the Lakehead to be operational in February which will add

another 10 million bushels to the capacity. Then there are about 2,000 farm dryers in the west with a capacity of about 60 million bushels per month when they are used 8 hours a day under reasonably suitable conditions. That, of course, involves such things as the humidity and the air temperature.

As I said before, the Board of Grain Commissioners is moving as rapidly as it can and is exploring the possibility of setting up additional supplementary capacity at the inland terminals.

Mr. Southam: Mr. Minister, what steps are being taken to inform or disseminate information to the farmers with respect to the techniques of drying? I understand that rules and regulations have been laid down by the Canadian Wheat Board because of the danger involved in the technique of drying. It can deteriorate the baking qualities and when a farmer takes any wet grain to the elevator now he has to give a statement of whether it was farm dried, and so on. They take a sample and send it to the Board of Grain Commissioners to test it and if it does not test properly then it is rejected as far as milling wheat is concerned and it has to go back to feed. Now this is a very, very serious situation.

Mr. Olson: That is right, but it also happens to be the fact of the situation. If this grain is heated up or even if a very, very small number of kernels are overheated it does, in fact, spoil the milling and baking qualities.

Mr. Southam: My question, Mr. Minister is: What action is the government taking to make farmers aware of this situation? You see a lot of them are going ahead blithely feeling that they can get this grain dried and it could create a major catastrophe for them later on.

Mr. Olson: I am doing everything I can. The Board of Grain Commissioners are issuing press releases and they have some pamphlets that they are publishing for distribution and giving all the publicity that they possibly can to it. I have made statements in Western Canada and so has the Canadian Wheat Board. They had a meeting out there the other day to get as much publicity as possible.

You raised the matter of the 3 bushel quota for top damp grains having some priority over dry grain. I recognize that this could

create some kind of problem, making the farmers think that there will be capacity to move all of this grain out because of that 3 bushels, but if they are relying simply on that 3 bushels per specified acre, it would indicate that that is all the tough and damp grain they have and I do not think that is quite right.

In fact, I do not think it is right for many, many districts, and so on, but we are making it as clear as we possibly can about the limitations of the capacity of the commercial terminal drying facilities and making it clear that if the estimates we have are right that there is so much tough and damp grain that a great deal of it is going to have to be kept in condition on the farms.

Whether they can dry it and reduce the moisture down to dry grain 14.5 or do other things to get some air through it and keep it cool and keep it in condition until it can go through—there is a whole variety of techniques that can be used other than pulling it right down to 14.5 per cent moisture.

Mr. Southam: Mr. Minister, what about the question of the availability of cash for farmers to try to procure some of this drying equipment that they need?

Mr. Olson: Pardon me?

Mr. Southam: What about the question of the availability of cash in the farmers' hands to buy their own, or even in co-operation with some other farmers, drying equipment? I think it is a known fact that the total capacity for drying at the terminals is only a maximum at about 15 million bushels per month and, as we have said before, four months is about all you can estimate we will have to get past the damage period before the warm weather sets in again, so you cannot talk about eight months. It means that three-quarters of that grain has to be dried on the farms. Now, this is the crux of the problem. The farmer does not have the cash to go and buy that equipment.

• 1010

Mr. Olson: I am not so sure I would advocate that farmers go out and buy all the drying equipment they can lay their hands on and make major investments in these \$8,000 to \$10,000 machines. It is not likely they will use them every year. I know now, because I was out there for the last two days, that there are a lot of farm dryers that have finished drying the grain for the owner and some of

his neighbours. They indicated to me that they were looking for custom work, if you like.

That is the purpose of these meetings and the co-ordination, so that we can make the best use of the 2,000 farm dryers that are out there now without advocating a great deal of additional investment in equipment that may not be used very often. In my view, in the best financial interests of the farmers, I do not think it would be advisable to suggest that they go out and make all of these major investments if there are dryers—and I know there are—in many areas that have now finished the operations for the owners.

Mr. Southam: I have one more question and then I will let my case rest. The suggestion was made, and I thought a practical one, by an Ontario member yesterday that there are quite a number of pieces of drying equipment available in Ontario. It takes me back to an emergency in 1961 when we had a serious drought situation where we had to move machinery out of the province for haying, and so on.

In September, 1961 there was a supplementary estimate when the government took emergency action and I happened to be a part of the government at that time and I am speaking from experience. It was of great assistance to the farmers and I am thinking now of moving some of this available drying equipment from Ontario out to the West to supplement what is there. As you say, this equipment is very expensive, \$8,000 to \$12,000, and I think this is a matter that the government should consider.

I think we should give serious consideration to bringing in emergency legislation or a supplementary estimate to provide assistance to the farmers to get some of this equipment. If it is lying around here in Ontario and is available, I think this would be a co-operative move on the part of our agricultural industry right across Canada. It would show that we have kindred feelings between one section of Canada and another, apart from solving the emergency.

Mr. Olson: I am informed that what happened in 1961 is that the federal government shared in a program instituted by the provinces to pay some of the costs of the movement. We are also informed that the American crop drying institute have indicated that where they are sure a demand exists they are prepared to move in custom dryers and

some of these would be physically closer than some of those in Ontario.

However, that is the purpose behind and the reason for this large number of meetings that have been called, to co-ordinate the effort out there. I do not know the exact number of farm dryers that were in the West in 1961, but I am informed that in Saskatchewan in 1959 when there was also a problem there were probably less than 50 on-farm dryers at that time.

It would indicate that we have 10 or 20 times as many dryers in location so I do not really think that you can equate the two. It is going to take maximum effort and require a lot of co-operation and co-ordination to make the best use of the dryers that are already out there. I think that is the first undertaking that—

Mr. Southam: I respect the resourcefulness, imagination, ingenuity and labour of farmers. They are doing everything they possibly can to help themselves, but I think they are faced with one of the greatest emergency situations in our agricultural history. All I want to see is that this government and the provincial governments as well move in there and do everything they can to assist them to overcome this. Without a shadow of a doubt, it is one of the most serious situations facing agriculture today in Western Canada. I will let my case rest, Mr. Chairman.

The Chairman: Thank you, Mr. Southam. I will now recognize Mr. Gleave on a short supplementary question and then we will turn to Mr. Roy.

Mr. Gleave: The point that I would like follow is the cost. I think it cost me—and I am not particularly interested in having my own figures in the record—about \$800 to dry about 3,000 or 4,000 bushels of flax. These are the kinds of costs we are looking at, because when you get this real wet stuff you cannot just throw it on the heap and let it sit there, you have to move it. As the Minister said, you perhaps have to put it through the dryer at least twice if you are going to end up with a reasonable moisture content and not spoil it in the process.

• 1015

Is the Minister considering some cash assistance in relation to the cost of drying? I think I know part of the reason those custom dryers are sitting idle. Very likely it is because the people do not have the cash in hand to

pay the \$10 or \$12 an hour that some of these machines cost. Are you considering any program where you would pick up part of the cost, that perhaps 50 per cent or 25 per cent of the cost of drying might be recoverable at some point? I have a notion that unless something like this is done there will just not be enough money around to handle it. When you think in terms of drying 100 million bushels at a probable minimum cost of 10 or 15 cents a bushel you are thinking of a lot of money. This is my point.

Mr. Olson: I realize that but I am sure that members of the Committee also realize that there is a fairly wide difference between the initial price of dry grain and damp grain going into the elevator, and unless I am persuaded otherwise I think these custom dryers can be hired for that amount, whether it is 16 or 18 cents a bushel—the difference between dry and damp grain is somewhere in there—and so he gains that much by in fact drying it. So, whether he takes it to the elevator damp or whether he dries it himself, I am not sure there is going to be any great difference in what he gets for it.

In addition to that, as you well know, we have authorized a 100 per cent increase in the interest-free advances, which is 50 cents a bushel on six bushels per specified acre, which is quite a substantial increase in available cash over last year. I do not want to raise any false hopes that something will be done in addition to this, but I think it is fair to say that some very substantial amendments have been made in the last five or six weeks which will assist financially in this situation.

The Vice-Chairman: Thank you, Mr. Gleave. I will now return to Mr. Roy (Laval).

[Interpretation]

Mr. Roy (Laval): Thank you, Mr. Chairman. Mister Deputy-Minister, Mr. Minister I would like to come back this morning since we are coming back to these estimates on vote 25. During the second meeting, I asked whether the marked reduction in the quality premiums for beef carcasses was quite substantial. And in many cases, this premium or this subsidy may be completely eliminated. At the fourth meeting, I came back to this point. And before we finish with this item this morning, I would like to make some additional remarks. First, I hope my colleagues will continue to be very objective in reporting what went on in Committees, so that Opposition members are not forced to return to the

House, to say what really happened at the Committee meeting. I hope too, that we shall all be very objective during our discussions and proceedings as our only purpose is to improve the farming situation in Canada.

I am very concerned at the attitude of the hog raisers. In hog production, Ontario is the first among the provinces. Quebec comes second and then Alberta. These three provinces account for 75 per cent of Canada's total hog production. I am wondering whether we are embarking on a program or policy to promote quality.

You know that in certain areas, not only Quebec, but certainly also in other provinces, a great deal of work was done at the producers' association level to improve the quality of pork through selective breeding.

There have been cases where producers had category "A" stock, 70 or 75 per cent of the time in Dorchester county for example. So we could certainly increase the Canadian average which is about 40 per cent. The quality premiums have contributed largely to the improvement of strains and breeding and if we eliminate them, I am wondering what would be the reaction of our farmers.

We were told at an earlier meeting that the prices were established on the basis of quality. On this question, I would like to make the following remark: there is already a difference between categories A and B. How can we establish a price system so that the producer of quality pork will be properly rewarded. (Well, Mr. Chairman, I think perhaps it might...)

[English]

Mr. Olson: Mr. Chairman, I think perhaps it might be useful for me to go over some of the history of the hog premium policy. As you have noted, under Vote 25 there has been a reduction from \$9.5 million in the 1967-68 estimates to \$6.1 million in the 1968-69 estimates. This premium policy was started in 1944 to provide an incentive to upgrade the quality of hogs. At that time a premium of \$3 was paid on Grade A and \$2 on Grade B. On April 1, 1946, that was changed to \$2 for Grade A and \$1 for Grade B. Then the next change came on October 3, 1960, when they put a \$3 premium on Grade A and took the premium off Grade B altogether. It was reduced to nil.

Then on September 4, 1962, the Grade A premium was reduced from \$3 to \$2, and on April 1, 1963, it was again increased to \$3

from \$2. Then in April of 1968 it was reduced to \$2. However, as you are well aware, effective December 30, 1968, we are changing the hog gradings system from the present grading procedures to the new grading methods that have been announced, that is, with the back fat testing. It is worth noting that 42 per cent of the hogs now fall into the category of Grade A and get the premium. It is my opinion that if we are to maintain the purpose for which hog premiums were paid, that is, to provide an incentive to produce top quality hogs—this is what the customers require and demand—and with the new grading system where this can be evaluated far more clearly, that we should probably have a hog premium paid on a smaller percentage of the total hogs. When you get up to 42 per cent, then of course such a high percentage of the hog carcasses have moved into that category that it really diminishes to some extent the incentive to produce in the higher ends of hog quality. This is the reason this has been changed.

With respect to the last question, do you have any comment to make on that, Mr. Williams?

• 1025

Mr. Williams: I think it is a very important point, Mr. Chairman, that has been raised: how to provide continuing incentives to the hog growers of Canada to improve their quality. We are looking forward most hopefully to the new grading system to do just this. The new grading system will be over a very wide range of prices. A base price will be established by the industry and those hogs that are better than the standard that they have set will receive increasing levels of price. An index is going to be set up and each hog will receive an index based upon its back fat measurement. This index has been arrived at as a result of very, very extensive cut-out trials which have been conducted by this Department in co-operation with the industry and with the producer groups.

Let me give you an example. If this program were in effect, and if the price was \$30. a cwt. for a hog with an index of 100—we can call that a standard hog—and if a farmer delivers a hog with an index of 110, he will not be paid \$30 a cwt. for that hog but \$33 a cwt. If, on the other hand, he delivers a hog with an index of 90, his price per cwt. will be 90 per cent of the \$30 per cwt., or \$27 a cwt. So, a very high level of incentives will be

built into the actual pricing system for quality improvement.

[Interpretation]

Mr. Roy (Laval): Well, that is an improvement. But how are we really going to encourage the producers to improve on quality? The estimates for 1967-1968 allowed for \$10,364,000 in quality premiums. Surely, this should do something to improve the quality of strains. The present method may not be the right one but these dollars should certainly do something to improve pork quality.

We could, for example, make more breeding stock and this would ensure quality. To eliminate this premiums is to eliminate a source of income. When this change brought about concerning the prices for category "A" and "B", I was then in the industry myself and if the complaints of the producers is anything to go by that decision was certainly not appreciated.

If we now abolish these premiums, the producer will have no protection any more. You know how the prices are established on the market. There is a standard suggested price, but the actual market prices that will not be the same even within a single province, and there will be much more difference across the country. In Quebec abattoirs, subject to federal inspection, it has been found that over 30 per cent of hogs processed there did not meet federal specifications, within the federal classification according to the report.

Last year, for example, out of 2,300,000 hogs, only 1,374,00 received or went through the federal inspection. This means that over 600,000 hogs did not go through those abattoirs.

Then, you have prices which are not standard. I would like to have the assurance that we will have a standard price everywhere so that the producers will be really paid according to the standards that you establish. There certainly is a price in Quebec, but local packing plants set one price, others set their own. Will there be a standard price and how is it proposed to bring this about?

• 1030

[English]

Mr. Olson: Mr. Chairman, we do not have any authority to set prices that any packer pays. Presumably, if one packer does not pay as much as another, he is not going to get the business from the producers and I cannot

offer any suggestion that we intend to move in and insist that certain prices are paid.

To answer the first part of your question, I know that it does not matter what you cut back there will be complaints, and we have had quite a lot of that lately in many departments as well as Agriculture. It is understandable that there would be some resistance or resentment if we cut back on any program but, as the Deputy Minister has pointed out, in the new grading system there is going to be far more incentive right from the market-place itself in addition to whatever premiums we pay for the top grades to produce high quality consumer acceptable hogs.

[Interpretation]

Mr. Roy (Laval): I am concerned, sir, Canada is the country with the highest production cost for pork. I have with me some figures, metric tons, for instance, and the production cost in the United States per metric ton is less than it is in Canada.

And if you see at the report from the provincial angle, Québec, for example, you see that in the province of Québec, it is higher than in the West, that is in Alberta. So, if we reduce that premium again, our pig-farmers will do one of two things, either get out of the business altogether or go and raise their stock where the grain is.

[English]

Mr. Olson: I would just like to say that we are not removing the premium. In response to your other question about the cost factors of the inputs being higher here, we do not disagree with that but the price that is being paid in the market-place for hogs in Canada today is up substantially from what it was about a year ago, and indeed the difference in the higher price in Canada vis-à-vis the United States today more than offsets the difference in these cost factors.

I do not have the sheet with me but I had one prepared because I happened to be in Brandon opening our new R.O.P. swine testing station yesterday, and the price in Toronto on Monday was I think from around 33 cents to 35 cents, in that range, for the previous week and this is also comparable in other Canadian marketing centres. Therefore the price to the Canadian producers through their market in Canada is substantially higher than it is in the United States and, indeed, it exceeds the traditional difference taking into account those other input cost factors.

[Interpretation]

Mr. Roy (Laval): Agreed. But the United States, are tending more and more, to produce the type of pig of the grade we had before: tha tis bacon pork.

Now, coming back to that question, would there be a possibility of keeping this sum of, let us say, \$10 million, this year, and then to investing it really in aid to producers, so that they can meet future quality standards.

Making regulations is one thing but have them respected is something else again. Practically speaking, if we could re-invest that amount in the producers they could really meet the standards which will supposedly be up.

• 1035

[English]

Mr. Olson: The estimates for 1969-70 will be out some time in the spring but I could not give you an undertaking in advance of the presenting of those estimates to Parliament about what will be in there.

Mr. Peters: May I ask a supplementary, Mr. Chairman?

The Vice-Chairman: Just a moment; I have two other members who have asked for that privilege. I already have Mr. Moore, Mr. Pringle, Mr. Lambert, Mr. Lind and Mr. Horner. Is it for a supplementary question?

Mr. Peters: I will ask a supplementary, Mr. Chairman.

The Vice-Chairman: Mr. Moore is the next questioner. He has been on the list for a long time. I would like to follow the list and I will take your name.

Mr. Peters: My question is on the specific point that he was raising.

Mr. Pringle: Mine is a supplementary.

The Vice-Chairman: All right; we will clear the question on hogs if Mr. Roy is through with his questions.

Mr. Roy: Yes, thank you.

The Vice-Chairman: I recognize Mr. Gleave who was first indicate a supplementary question.

Mr. Gleave: With reference to hogs, using the present basis can you say, as the new system goes in, what percentage of hogs will be premium, what will hit the average or

what will hit the base line which is, I suppose, 100 per cent.

Mr. Olson: It is an index or grading figure; it is not a percentage figure.

Mr. Lind: Well, what is going to be premium; what is going to be on the line and what is going to be below?

Mr. Olson: I am thinking now very seriously about what is the most appropriate date on which to make the announcement. There will be one very shortly with respect to this and there two or three things we have to take into account. One is, if we make the announcement too far ahead of effective date which is December 30 are we going to interfere with the market? Will there be some hold back of hogs or will there be a rush to market that would unduly influence the markets one way or the other, perhaps adversely? I have to take that into account.

We do not like to make announcements that are going to upset the market in advance and I would not like to be pressed to make an announcement of the details because we will have to consider carefully what is the most beneficial time for the producers to release the exact details of how the premium will be paid.

Mr. Gleave: I am not interested in knowing the particular date on which it goes into effect.

Mr. Olson: That is clear; it is December 30.

Mr. Gleave: But then you cannot say at the present time how this is going to affect the flow of hogs. This is important. Actually, the way I see it is that up to now we pay the premium; that is, we put extra money in the pockets of the man who was producing a top quality product. It seems to me that under this new system we are going to go at it in just the opposite way. We are going to penalize the man who is below. I would like you to comment on it.

Mr. Olson: Oh, I thought you said we were going to penalize the man who was producing a quality...

Mr. Gleave: No, no. We are going to try to improve quality by penalizing rather than giving a bonus.

Mr. Olson: Oh, no. I would not agree that would be the effect at all.

Mr. Williams: If I might say a word here...

Mr. Gleave: All right.

Mr. Williams: The type of penalties—and I just use as an example the \$27 hog. For a person who had an index of 90, these indices which have been agreed upon between the producer organizations and the producers, the level at which they will be set, by and large at the bottom end represent differentials that exist at the present time for hogs. As you appreciate very well, there are deductions for heavy hogs and extra heavy hogs and lights and hogs falling in the off grades. This is the type of thing to which I was referring when I spoke about hogs with an index of 90 receiving 10 per cent less than those with an index of 100.

Mr. Gleave: I have one other question. Are you satisfied that the new grading system will not slow down hogs on the production line on the slaughter end?

Mr. Williams: Mr. Chairman, this matter has all been worked out with the industry. It is going to require some adjustments and those adjustments, we have been assured by the industry, will have all been made in time to put the program into effect and not interfere with the flow of hogs through the line.

Mr. Gleave: Is there any provision under this new grading system to move the grade standards on to the consumer? Will this top premium quality product appear on the shelves in the store? Now we buy blue brand or red brand beef. When this top quality bacon or this top quality pork appears on the store shelf is it going to be so, and are the medium and low qualities going to follow right through to the consumer?

• 1040

Mr. Olson: Mr. Chairman, there is a direct correlation between the amount of back fat and the fat-to-lean ratio throughout the hog. Of course, that is going to show up visually in the the cuts that are offered for retail sale and what has to be cut off, and all that sort of thing.

Mr. Gleave: No, no no.

Mr. Olson: Whether the honourable member agrees with me or not, I think it is one of the facts that housewives do not buy a very high fat-to-lean ratio if they can buy something that has a more acceptable ratio for the

same price. Perhaps you would want to comment. Is there any follow through or any intention with the industry?

Mr. Gleave: I think a great deal of effort has been spent and is being spent by the retailing industry to disguise, or to sell the product. You can trim pork; you can put fancy coloured packaging on; you can do a lot of things. It is like they used to say of the gal—the little bits of powder and little bits of paint, make the pretty lady look like what she ain't! I am saying, why not move the grade right through to the consumer so the consumer knows? Let us get this quality product right through and get a premium price right through.

Mr. Williams: If I might say a word, Mr. Chairman, a matter that has been concerning the Department of Agriculture for some time now is the question of the identification of producer grades for hogs and pork products through to the consumer. We have done some trial work on it. I have to report that at this moment we do not have any satisfactory method, largely because of the different methods of merchandising pork as opposed to beef. Beef is merchandised almost exactly as the carcass is presented to the grader. Pork is not. Pork is generally merchandised in a cut-up form and a trimmed form or in a processed form.

Mr. Gleave: Right.

Mr. Williams: For this reason we have not been able to arrive at a solution because part of the reason at least is that one of the major criteria of quality in pork is the fat-lean ratio, and this fat-lean ratio can be altered greatly during the trimming process. We have not given up but as yet we have not found a satisfactory method.

Mr. Gleave: Thank you, Mr. Chairman.

The Vice-Chairman: I recognize Mr. Pringle on a supplementary question.

Mr. Pringle: My supplementary question, Mr. Chairman, relates to the R.O.P. testing station mentioned by the Minister a moment ago which opened in Brandon. I understand that there was some thought being given to an R.O.P. testing station in British Columbia and I wonder if anything has been done or any decisions reached with regard to an R.O.P. testing station in B.C. or whether the new program of on-the-farm testing is going to change the decision as related to an R.O.P. testing station in British Columbia?

Mr. Williams: Mr. Chairman, the situation in respect of R.O.P. stations at many locations across Canada is that we are at the present moment, as Mr. Pringle pointed out, bringing into effect a changed basic R.O.P. program. We are endeavouring to evaluate that program before we make further commitments in respect of R.O.P. stations and capital expenditures in respect of them.

The station that Mr. Olson opened represented the change of a location, not the provision of any additional facilities, and had been in the plans for some time. The question of one for British Columbia, to answer the question specifically has not at the moment been decided.

Mr. Pringle: Thank you, very much.

The Vice-Chairman: Thank you, Mr. Pringle. Mr. Peters has a supplementary.

Mr. Peters: Mr. Roy was asking a number of questions about the improvement of Canadian hog production and the increase in top grades. I notice in the United States they have done considerable work recently in the use of heavy copper sulphate additives that has produced very substantial gain-grain ratio and that Canada was doing similar studies in this area. Have these progressed to the degree that the Food and Drug Directorate has approved a .7 per cent copper sulphate, which I think was being considered?

Mr. Olson: I wonder if I could ask Dr. Woodward to reply to that.

• 1045

Dr. J. C. Woodward (Assistant Deputy Minister (Research), Department of Agriculture): Mr. Chairman, we have research at Melfort on the effect of substantially increasing the copper content of hog rations on the rate of gain of the hogs. Our results have confirmed the observation of Mr. Peters. There are discussions going on now with the Food and Drug Directorate as to the admissibility of high copper pork in the dietary effect on humans.

Mr. Peters: Is it also true in your experiments that this produces a lower fat type of pork product?

Dr. Woodward: We have not done carcass analysis on these animals on the high copper rations, but the indications are that with the faster growth we get a more favourable lean-fat ratio.

Mr. Peters: Perhaps I may suggest that the Minister might be wise to step up this experiment. It appears to have been highly satisfactory in the United States, developing a much more economic top-grade production in the United States.

Mr. Olson: I will make a note of it.

The Vice-Chairman: Thank you, Mr. Peters. Mr. Horner.

Mr. Horner: Under this new system, Mr. Minister, of paying the premium for No. 1 hogs, will the subsidy, in effect, go directly to the farmers as it used to in the old system of A, B and C hogs?

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): Mr. Chairman, the farmer will continue to receive his money from two sources. There will be the price on the marketplace. That was in accordance with the procedure that I previously outlined. In addition to that, there will be the hog premium which will be paid through a warrant attached to the settlement in exactly the same mechanical manner as has been the case in the past.

Mr. Horner: What will the premium be, and will it be paid only on No. 1?

Mr. Olson: We are going to make an announcement on that, Mr. Chairman, sometime between now and December 30.

Mr. Horner: Would it have to be a 100 per cent hog? Could you give the Committee that idea?

Mr. Olson: The index figure?

Mr. Horner: Yes.

Mr. Olson: No, I would prefer not to. I am not trying to be reluctant in passing this information as quickly as we can, but we have to take into account what might happen in making this announcement ahead of time.

Mr. Horner: That of course is your prerogative, Mr. Minister, but I cannot agree with it. I think that when hogs reach their weight of 200 pounds, they have got to go to market. You cannot really hold them too well.

Mr. Olson: That is right.

Mr. Horner: I do not see how your holding back on announcing the system will really affect the market run too much.

One further question. Is it not true that during the 1950s when we had a huge build-

up of surplus grain on the Prairies, many farmers swung to the production of hogs, and it seemed that the greater the surplus of grain the lower the percentage of No. 1 hogs. Would you agree with that summation to any extent?

Mr. Olson: Yes, I think generally.

Mr. Horner: You would agree with that?

Mr. Olson: Yes.

Mr. Horner: Well, are you not afraid that in this new system you are devising, you are going to help the knowledgeable hog producer, the vertical integrated hog producer, far more than the farmer who is caught with a huge surplus of grain and tends to use his own initiative and get into other production. He may not be as skilled at producing hogs, but he has a lot of grain so, you know, what is another bushel of grain or two in the hog, I am getting rid of the grain. This is the advantage he might turn to. Your new system will help, in effect, the vertical integrated hog producer far more than it will an enterprising farmer prepared to diversify his marketing of grain.

Mr. Olson: I do not agree with that. I think the new system is designed, and I hope it will be effective in encouraging everyone who is producing hogs, regardless of what category he comes in, to produce a hog product that is most acceptable in the marketplace because that is where the determination of the value of it will be.

• 1050

Mr. Horner: Oh, there is no question about it. I am just stating a fact. I think that the farmers should pay very strict attention to the type of hog they produce, and particularly when that hog goes to market. I think this is the key more than anything, really. But I have fears of this new program of yours helping the vertical integrated hog producer far more, and one can only tell really after you make the announcement and we have a chance to examine it. We are in the dark so far.

Mr. Olson: I do not think it is quite fair to say that we are in the dark as to the manner in which these hogs will be graded. That has not only been pretty well known but agreed to by the whole industry, the producers, the packers.

Mr. Horner: Well, the vertical hog producers, yes.

Mr. Olson: And anyone else who wants to take the time to read it. There was a press release that went out and there is much more detail available. As far as the other point that you make is concerned—that it is going to help some more than others—I suppose that has always been the case that whoever produces the highest quality product gets paid the most for it.

Mr. Horner: With the surplus of grain building up on the Prairies and the particular amount of damp grain on the Prairies, you should be encouraging diversification of marketing and not penalizing the diversification of marketing.

Mr. Olson: I think we should also be encouraging everyone to produce the best acceptable quality in the marketplace.

Mr. Horner: Well, I agree with that.

Mr. Olson: And if he gets the hog up to the optimum weight with the fat ratio, or the back fat test at the optimum, perhaps we should be encouraging him to feed that extra bushel to another hog and bring him up to this weight.

Mr. Horner: Yes, I agree.

The Vice-Chairman: Thank you, Mr. Horner. Now to clear up that question on hogs, I have two more supplementary questions from Mr. Roy and Mr. Foster. Then we will return to Mr. Moore who has been kind enough to let us go on.

[Interpretation]

Mr. Roy (Laval): Thank you Mr. Chairman. This is just a last comment. Pork is not marketed the same way as beef.

If we set up standards let us say of 100, 110 or 130 per cent according to quality, we contribute to an increase in the purchasing cost for the producer, fine and dandy. But how about the packers? How will they sell a pig costing three to four cents per pound more if they have to sell the final product at the same price as cheaper pork.

I mentioned earlier that presently 30 per cent of the pork in Quebec did not go through federally-inspected slaughter-houses. If we adopt this policy, all hogs will be processed in local slaughter-houses. In Quebec particularly when there is a provincial inspection, the policy may not produce the results expected by the experts. This will be quite difficult to implement in Québec because you

have, as I say, 30 per cent of the pork being processed outside federally inspected slaughter-houses. I believe that there is a risk in the implementing of such a policy at least in Quebec. Have you had representations to this effect?

[English]

Mr. Williams: Mr. Chairman, in respect to the Province of Quebec, I may say that first of all the entire system has received the approval of the national organization of the meat packers. In addition to that, our own employees in the Province of Quebec in particular have visited, I believe, all of these plants, although I would not want that to be taken as a categorical statement. They visited a great many plants that are not under federal inspection but which do have a grading service. In other words, we do have a grading service particularly in the Province of Quebec and in all provinces where there is a system of inspection that will give assurance to the Department that we are not grading hogs that have not been inspected from the health standpoint.

• 1055

The report that I have had from our officials in the Province of Quebec is that right across the province there has been very wide acceptance of this program as a method of settlement for hogs by these smaller plants.

The Vice-Chairman: Mr. Foster.

Mr. Foster: I am interested in this same subject that Mr. Roy mentioned; I am interested in the mechanics. Suppose a person sells hogs at \$30 a hundred, but on testing they only have the 90 index. What happens to the \$3 difference in price? Does this go from whoever purchased them to a federal fund, and then this is used in paying out, or what are the mechanics?

Mr. Williams: Almost without exception in Canada, hogs are sold on a rail-grade basis and as such, if the index is 100 and the example price is \$30, the producer will receive the \$30 and will receive whatever premium is payable on it. The basic reason why hogs are sold essentially on rail grade, with the producer getting the settlement based on the final grade of that, is because we do have a national system with a premium payment. So, the situation that you have described, sir, is most unlikely to happen. That is to say, the producer is not going to be paid in advance

on a hog of an unknown quality. He will be paid after it is slaughtered and after it is graded. Even where drovers operate in this country, in general they simply act as the agent of the producer in providing the trucking. Very seldom do the hogs change hands in terms of ownership.

Mr. Olson: I think perhaps your question was based on the premise that the hog that graded 90 and was paid at \$27—using this as an example—that hog may be worth \$30 and that the producer was going to get something less than that, or \$3 less. I do not think that is a fair or a correct premise. If a hog only grades 90, that carcass is less valuable.

Mr. Foster: Yes, this is true. In effect, you are paying a premium only when the indices are over 100.

Mr. Olson: Well, as an example maybe 104 or 110 or something else.

Mr. Williams: The marketplace will pay a premium, if you want to call it a premium. The marketplace will have a differential range of prices, depending upon the index.

Mr. Foster: Is there any minimum that you will go below? Is 90 the lowest, or will the index go down as far as 70?

Mr. Williams: I believe the lowest number on the scale of indices at the present moment is 69.

Mr. Foster: I see.

The Vice-Chairman: Thank you, Mr. Foster, Mr. Moore.

Mr. Moore (Wetaskiwin): Thank you, Mr. Chairman. I would like to ask the Minister if facilities are available, say within the next four months, to dry the initial 3-bushel quota for damp grain—if it all came in?

Mr. Olson: You say in the next three months?

Mr. Moore (Wetaskiwin): No, I said four, sir. It possibly could go longer, but there is always a danger involved there.

Mr. Olson: Well, our estimates are that there are about 40 million specified acres in the areas where there is tough and damp grain, which of course is 120 million bushels, and the drying capacity at the terminals during a six-month period would be 130 million bushels. Then, of course, you would add to that about 60 million bushels a month of on-

farm drying if they are used to optimum capacity. It would appear, therefore, that over a six-month period it would exceed that considerably and probably in a three-month period it would also exceed it. Of course, these are based on so many factors: a long spell of severely cold weather, for example, will call off some of these operations.

Mr. Moore (Wetaskiwin): Can you bring farm drying into this question, because actually they are not delivering farm dried grain.

Mr. Olson: If you take a three-month period with a total of perhaps 3 bushels it would look like we would have 120 million. If you take a three-month period with a terminal capacity of about 65 million, if it is going to go through there—the answer is no.

Mr. Moore (Wetaskiwin): It would be a tight squeeze, anyhow, no matter how you look at it. I have a further question. I hope it is a question, but it could be a statement. It is on dairying and I will keep it short. At the present time a new dairyman, that is an aspiring dairyman, would have only one method of obtaining a subsidy quota under the present dairy policy. I feel there has been a failure here to recognize the fact that dairying is often part of a mixed farming operation. In this light it can, therefore, be part of a very efficient farm operation, even when the dairying itself might be in a small scale. Would the Minister care to comment on that?

Mr. Olson: The specific question was that there was no way during this dairy year of 1968-69 for anyone to obtain a quota?

Mr. Moore (Wetaskiwin): Outside of the one method of buying a herd. My concern is not for this year, which is pretty well over, but for the next year. I am not asking you to forecast what the dairy policy will be, but I hope this is being kept in mind.

Mr. Olson: It has been taken into consideration. It was discussed on December 2. We had a meeting Monday and I attended a large part of it. This is one of the questions that was discussed and, as you have pointed out, we are not ready to announce all the details of the next dairy year beginning April 1, 1969, but you can rest assured that it has been discussed and there have been many representations made as to allocation of quotas or transfer of quotas within the regulations for next year.

Mr. Moore (Wetaskiwin): Thank you, that answers it.

The Vice-Chairman: Thank you, Mr. Moore.

Mr. Olson: May I also say that the Deputy Minister has just advised me that the representations that we are getting are not all on one side of the question; they are on both sides of the question you have raised.

Mr. Moore (Wetaskiwin): Well, I can see how this might be.

The Vice-Chairman: Thank you, Mr. Moore. Now, again, we have the same problem of members wishing to put supplementary questions. Should we accept them? I have Mr. Cobbe and Mr. Lind. I hope you will make it very short so that we can revert to the next questioner which will be Mr. Pringle.

Mr. Cobbe: Mr. Chairman, I will make mine very short. There is one point that has not been considered on the grain drying situation which was a very good point brought up by the hon. member. Are we going to be able to handle this 3 bushel quota delivered to the elevators? No consideration has been given this morning to the fact that elevators are already having a heating problem with the grain they have received. A lot of these elevators are establishing their own dryers right on the elevator premises to take care of a lot of this, so a lot of the figures will be distorted as the Minister has stated.

The Vice-Chairman: Would you comment on that?

Mr. Olson: I agree that there are a lot of factors involved in this whole operation.

The Vice-Chairman: Thank you, Mr. Cobbe. Mr. Lind?

Mr. Lind: I am going to a new area. I have one short question on Item 25 on page 27. I see an item in here and I raise this because a former minister of agriculture raised it in my constituency: Canadian Hunter, Saddle and Light Horse Improvement Society, a \$5,000 grant. Who does that grant go to and where? If you want to give it to me later I would be agreeable to that.

The Vice-Chairman: The question is put now and I will let the Minister answer that and we will return to Mr. Pringle. Thank you, Mr. Lind.

Mr. Olson: I am advised, Mr. Chairman, that it goes to that association, the Canadian Hunter, Saddle and Light Horse Improvement Society and we can provide you with the address if you like.

Mr. Lind: Yes, that is what I would like.

The Vice-Chairman: Thank you, Mr. Lind. Mr. Pringle?

Mr. Pringle: Mr. Chairman, I will try and keep my questions very short because I realize there are many other members who wish to ask questions.

First of all, I understand that this will probably be our last meeting on the estimates. Is that correct?

• 1105

The Vice-Chairman: We hope so, because the House will sit this afternoon and the estimates on agriculture are supposed to be called then.

Mr. Pringle: That being the case, if it is permitted, I would like to suggest that we have greatly appreciated the excellent co-operation received from the Department of Agriculture, from the Deputy Minister, the Assistant Deputy Minister and his staff and I would like it placed on the record that the Committee is very appreciative of this.

Secondly, there is one item that we have not discussed and I am wondering if we will be able to do this. It is the matter of marketing programs as related to some of the perishable farm products, such as eggs and poultry, and if we will be in a position where we might be discussing the marketing programs such as the possibility of marketing commissions or marketing boards or procurement commissions as they relate to the perishable products on farms.

Mr. Olson: Are you asking when we will get an opportunity to discuss this, Mr. Pringle?

Mr. Pringle: Yes, I am asking if it is expected that we will be able to discuss these problems at a later date.

Mr. Olson: Oh, yes, I think so. I could give a very brief report coming from the Federal-Provincial Agricultural Outlook Conference that we had on November 25 when we had a meeting with all of the ministers of agriculture across Canada. I would be pleased to discuss this at some future time. We made a great deal of progress. There was a committee made up of senior officials from provincial departments and the federal department to try and work out two things: the legal implications of this marketing legislation and the practical application of it. All I want to

say at this point is that a great deal of progress, in my opinion, has been made in getting together and having a meeting of minds so that we can get on with getting this kind of legislation into motion.

Mr. Pringle: Just one more question. Has any thought been given to approaching some of the more successful provincial marketing boards operating under provincial jurisdiction, or provincial enabling legislation at the present time, so that we might have full knowledge of what is taking place at the present time with regard to marketing boards throughout Canada?

Mr. Olson: Yes, all of these marketing organizations have been at the meetings. I think the present status is that this has been referred back to the provinces now to come forward with a proposal, although perhaps Mr. Williams or someone can advise further.

Mr. Pringle: Thank you very much. I would like to pursue it at a later date when the item is up for discussion. Thank you.

The Vice-Chairman: Thank you, Mr. Pringle. I have five more names, Mr. Douglas, Mr. Lambert, Mr. Gleave, Mr. Horner and Mr. Côté, Mr. Douglas?

Mr. Douglas: First of all, Mr. Chairman, something that was just said a moment ago prompts the first question. Is there a report of the Federal-Provincial Agricultural Outlook Conference available and could members of this Committee or members of the House of Commons be given such a report if it is available?

Mr. Williams: It is in the hands of the printers at the present moment, sir, and will be made available very shortly. I will ensure that sufficient copies are sent to the Secretary of this Committee for distribution to members.

Mr. Douglas: Thank you very much. I want to associate myself with the concern expressed by Mr. Southam at the beginning of the meeting about the damp grain situation and I feel very strongly about the need for co-ordination of drying facilities and making sure that everything possible is being done to ensure that these dryers will be busy, that they will not lie idle when they could be used somewhere else in the province. I am also particularly concerned that people in the United States who might have portable drying equipment available on a custom basis, be

notified that they might get work up here in western Canada and that any co-ordination that takes place would include such American custom operators.

I understand that the Farm Machinery Syndicates Credit Act is very useful to those farmers who decide to band together and purchase dryers and I hope that every effort is made to publicize the availability of this credit source for people who really think they need to buy dryers and who can get dryers.

• 11.10

I have a question with regard to the task force on agriculture. I presume there is something in the estimates for the cost of this; there will be a cost attached, I presume, Mr. Olson, to the task force on agriculture?

Mr. Olson: Yes.

Mr. Douglas: Does it come under professional services?

Mr. Olson: That is under Item 1, I believe.

Mr. Williams: Yes, it is under Item 1.

Mr. Douglas: Under professional and special services?

Mr. Williams: Yes, under professional and special services and there is a very large increase between last year and the current year.

Mr. Douglas: How soon do you expect at least a preliminary report from the task force?

Mr. Olson: I have asked the task force to provide us with an interim report on a number of subjects by the end of this year. That report will be used particularly by the Steering Committee and the Department for setting up the agenda for the National Agricultural Congress that we hope to convene on March 25, 1969. The interim report will be used more or less as the position papers to initiate the discussion on these matters among the delegates or the representatives who will be at the Congress later in March. Dr. Poirier, who is here, is Chairman of the Steering Committee to set up the details of that Congress and it is our hope that we will have an interim report to be used in the National Congress and then the task force will write a final report with the assistance of having had their interim report examined by people who are directly involved in the industry.

Mr. Douglas: Will one of the items that this task force will be reporting on be the subject of the two price system for wheat?

Mr. Olson: Dr. Poirier, will you reply to this question?

Dr. R. P. Poirier (Assistant Deputy Minister (Economics), Department of Agriculture): There is one that covers the full wheat industry. I do not know what is going to be in it yet, but most likely this will be discussed in that report.

Mr. Douglas: Thank you.

The Vice-Chairman: Thank you, Mr. Douglas. Mr. Lambert?

[*Interpretation*]

The Vice-Chairman: Mr. Lambert.

Mr. Lambert (Bellechasse): Thank you, Mr. Chairman. My question will be very short, the time is going fast. Does the Department of Agriculture give financial assistance towards transportation costs in cases where the hog or beef producers situated very far from slaughterhouses. Is there any federal plan of assistance or joint program with the provinces to help towards transportation costs?

[*English*]

Mr. Olson: In so far as the federal government is concerned, there is no assistance to the cost of this transportation. I am answering only for the federal government. I understand there is some by the provinces, or at least one province, perhaps more, I do not know. However, I am only speaking for the federal government.

[*Interpretation*]

Mr. Lambert (Bellechasse): Since the cost of transportation tends to increase, could not we suggest for example the federal government to consider this question, because this is a very serious problem indeed. Even the provincial governments' help, is not enough to give any equal advantages to these producers and farmers situated a long way from the abattoirs.

[*English*]

Mr. Olson: Certainly we will make a note of your representation and consider it, but I would not like to say that it is something under active consideration. However, we do assist in paying the cost of transporting feed for hog and beef production into almost all feeding areas in eastern Canada.

[*Interpretation*]

Mr. Lambert (Bellechasse): Thank you.

The Vice-Chairman: Thank you, Mr. Lambert.

[*English*]

Mr. Gleave, Mr. Lind, Mr. Horner and Mr. Côté. Mr. Gleave?

• 1115

Mr. Gleave: I was disappointed on the task force at the time it was set up that at least one person on that task force was not drawn from the farm organizations.

Mr. Olson: Task force?

Mr. Gleave: On the task force on agriculture. Of course, that is past now, but at the moment, on the proposed congress which is to be sometime in March—I forget the date the Minister mentioned—it would have seemed to me appropriate to have had on the steering committee representatives of the National Farmers Union and the Canadian Federation of Agriculture. My understanding is that neither of these organizations has been asked to put men on the steering committee; is this correct?

Mr. Olson: No, that is not correct.

Mr. Gleave: Who is their representative?

Mr. Olson: We sent an invitation to both the National Farmers Union and to the Canadian Federation of Agriculture to nominate a representative for the steering committee. Just to fill in the background here, we also asked all ten provinces to nominate one person for the steering committee and we asked the processing and marketing agencies, all of them, to nominate one. One person, Dr. Mercier, was nominated to represent the ten provincial departments of agriculture. We received a nomination from the processing and marketing industry, from all those involved and that was Mr. Leckie. However, the National Farmers Union and the Canadian Federation of Agriculture advised us that they could not agree on a nomination, and therefore they nominated one each. The fact of the matter is that there were not two positions; there was one position.

Mr. Horner: Make another position.

Mr. Olson: It was not my inclination to make the decision for them, so we nominated a very competent farmer from the Ottawa area to fill that other position. There were a number of reasons for that: along with his wide knowledge of the producers' interests,

that he is close to Ottawa and could be directly and immediately involved in the representations. I make no apology for what we did, because we invited them along with everyone else to make a nomination and they declined to do so.

Mr. Gleave: But surely, Mr. Chairman, and Mr. Minister, if there is going to be a congress of this nature, surely it would be possible to have a representative on the steering committee from each of the national organizations. Anyone who is familiar with the background would know that they would be reluctant to accept the course which was suggested to them. I think quite properly they would consider, with the number of farmers they represent, that they should each be accorded a member on the steering committee to speak for the farmers and give direction to this congress. I certainly do not expect or ask the Minister to, as he said, apologize for his decision. I simply want to say that I disagree with it. Farm organizations of this size, with their influence in the country, should be accorded a representation each. Their advice surely is very valuable.

Mr. Olson: Well, I do not disagree with that at all: that is why we invited them to nominate someone. However, I think you also have to agree that the aggregate of all ten provinces is a pretty large organization too. They agreed on one nomination, but perhaps there is some misunderstanding of the function of this committee. This committee is to set up the physical arrangements and do other things in preparation for calling the congress. There will be very, very wide representation by large numbers. We think around 140 invitations will be sent out to the producer groups, out of a total of 400 at the national congress; there certainly will be very, very wide representation from the producer groups at the congress.

• 1120

Mr. Gleave: It is your decision of course, Mr. Chairman and Mr. Minister, but the steering committee has a pretty important function both before and during the Congress.

Mr. Olson: That is what we think too, that it is so important that they should have nominated somebody.

Mr. Gleave: I still feel you could have afforded two.

The Vice-Chairman: Thank you, Mr. Gleave.

[Interpretation]

Mr. Lambert (Bellechasse): A supplementary question, Mr. Chairman.

The Vice-Chairman: Mr. Lambert.

Mr. Lambert (Bellechasse): Mr. Minister, I shall be a little indiscreet. Answer me if you wish. Will the projected convention be held before the announcement of the dairy policy for the coming year?

[English]

Mr. Olson: I have already announced the date of the congress. I am reasonably sure now that it is going to start on March 25, 1969. What you are asking me now is to give you a specific date either before or after the announcement of the dairy policy for the next year, and I am not prepared to do that at this date.

Mr. Gleave: Mr. Chairman, there is one more question I would like to ask. I noticed coming out of the Outlook Conference, the conference said that there was a 6.4 per cent increase in farm costs in 1966-67. I think that was the year. They forecasted a similar increase would occur in the coming year. That is 13 per cent, almost, in two years. Will this situation be considered by the congress?

Mr. Olson: I am sure it will be one of the important factors. Just for the sake of accuracy you said a 6.4 increase in the cost? The 6.4 increase is the index price of the inputs. No, they are not the same thing. The actual cost of increased production is 2.9 per cent?

Mr. Gleave: Pardon?

Mr. Olson: 2.9 per cent.

Mr. Gleave: I wish I could get away with that in my operation.

Mr. Horner: Interest rates were not really that much lower.

The Vice-Chairman: Thank you, Mr. Gleave. Mr. Lind.

Mr. Lind: Thank you, Mr. Chairman. Mr. Minister, I think it was on Item 45 I raised the question of the comparison between the tariffs and transportation of the products used by farmers throughout southwestern Ontario—namely, fertilizers. Could you give a breakdown on this?

Mr. Olson: Transport costs?

Mr. Lind: Transport costs. It is mainly the differential between fertilizer sold in the State of Michigan and southwestern Ontario that we are concerned with.

Mr. Olson: We do not have a specific report to give you on this, Mr. Lind. The Department of Agriculture certainly is interested, there is no doubt about that, but I wonder if representation on this particular matter would not be more properly placed before the Transport Committee and the Department of Transport who are directly involved and certainly you know, as well as I do, that as Members of Parliament you have equal access to that department as you have to this one.

Mr. Lind: I realize that but I thought that as it was mainly dealing with the cost of agricultural production, that it would be of interest to the Department of Agriculture to ascertain if there is a differential in tariff rates for these fertilizers, especially the potash that is produced in Western Canada and shipped to the east, and some of the phosphates that are produced in Quebec and brought into Ontario, having in mind that the nitrogen is manufactured along the St. Clair River in Ontario and is one of the main ingredients that entails a high cost in fertilizers.

• 1125

I am mainly interested in the reason for the differential between the American side of the border and the Canadian when we have a duty free flow of the product back and forth?

Mr. Olson: We have just been having a little conference here and maybe we can give you some useful information, Mr. Lind.

Mr. Lind: I would hope so.

Mr. Williams: First of all, sir, fertilizer materials can cross the border in either direction free of tariff. Mixed fertilizers carried a tariff of 5 per cent up until June of this year, at which time it was reduced to 3 per cent, and under the Kennedy negotiations it will disappear as of January 1, 1969. So that starting January 1 there will be no tariff in either direction.

The Department has collected some information in respect of the comparative prices paid by farmers for selected fertilizers in Canada and the United States in the years 1966 and 1967. Unfortunately we do not have it for 1968. It certainly does show some differences, and I am quite prepared to supply this

table, although there are some deficiencies in it. I could give some examples.

Mr. Horner: Make it an appendix to the Committee's proceedings.

Mr. Williams: I would be pleased to do that.

Mr. Lind: That would be fine.

The Vice-Chairman: Is it the wish of the Committee?

Some hon. Members: Agreed.

The Vice-Chairman: Fine, Mr. Williams.

Mr. Olson: Do you want one example of this?

The Vice-Chairman: Give us one example and that will be fine.

Mr. Williams: The example that I will give here is 1967, comparing prices in Ontario for a 5-20-20 fertilizer and in New York State for a 5-20-20 fertilizer. The average price paid by farmers in Canada was \$81.4 per ton. The average price paid in the State of New York for the same year for the same fertilizer was \$72.8. In each case, the figures are in the currency of the country concerned, so it would be necessary to convert the United States dollars to Canadian dollars to make it comparable in terms of money.

The Vice-Chairman: Thank you, Mr. Lind?

Mr. Lind: Have you got a 30-20-20 or something with a high nitrogen content?

Mr. Williams: I have 33.5 per cent ammonium nitrate comparing Ontario to New York.

Mr. Lind: Yes, that would be a good one.

Mr. Williams: The comparable figures for 1967 were, for Ontario \$85.9, and for New York State \$77.5.

Mr. Roy (Laval): What is the price in Canada?

Mr. Williams: It is 85.9 as compared to 77.5, each in the dollars of the country concerned.

[Interpretation]

Mr. Roy (Laval): Supplementary question. Do you therefore consider...

[English]

The Vice-Chairman: Just one moment. Are you through, Mr. Lind?

Mr. Lind: Have you anything on the State of Michigan or Toledo, Ohio?

Mr. Williams: I am sorry, I did not go far enough down the list as I was trying to be brief about it. The figures for the United States represent the average for the States of New York, Ohio and Michigan as compared to Ontario. The Ontario figures are for Ontario alone. The others represent the average for those three States. The figures that I have quoted, in other words, are the average for New York, Ohio and Michigan.

Mr. Lind: But at the present time, any mixed fertilizer at all carries only a 3 per cent duty.

Mr. Williams: That is correct, sir.

Mr. Lind: Thank you very much.

The Vice-Chairman: Thank you, Mr. Lind.

[Interpretation]

The Vice-Chairman: One short question, Mr. Roy.

Mr. Roy (Laval): In your prices, Mr. Minister, are you taking into consideration the pre-payments discounts and the early shipping bonus discounts? They are different from province to province. In the case of sal ammoniac for instances, last year there was less difference between the two prices because of the spring discount. The retail price of sal ammoniac went up as high as \$74.00 in the prairie provinces.

[English]

Mr. Williams: I am afraid I cannot answer that question directly. The figures have all been provided, the Canadian figures through the Dominion Bureau of Statistics and those of the United States through the Agricultural Prices a monthly summary of the United States Department of Agriculture.

I am afraid I would have to look into and report to you the details of the methods of arriving at these prices.

[Interpretation]

Mr. Roy (Laval): I believe these are fall figures because in the spring for the farmer the difference is less than that. Coming back to Mr. Lind's question, I think that if we could now, for instances, have potash at a more accessible price, I believe that would really encourage production.

I think that when we give a subsidy for transport, for example, for grains, the subsidy is not really given to the consumer, it goes to the producer and I believe that here if we could have potash at a more accessible

price in the East, then I believe that would be the policy which would be warmly welcomed by Eastern producers.

The Vice-Chairman: Thank you, Mr. Roy.

[English]

Mr. Lind: Mr. Chairman, to come to the tariff rate on potash, I understand that the rate the railways are charging in this area is the same as that from Mexico to Ontario; and it is certainly cheaper for the railways to roll a one-hundred ton car down into our area from Saskatchewan than to bring it in from Mexico.

They are charging \$17.60 a ton. That is \$1,760 to roll a car of potash down; and it is not subsidized. It is paying more than its share of the tariff to the railroad.

The point I wish to make is that these tariffs require revision. I think it is up to the Department of Agriculture to step in and see that the railroads revise them in the interests of agriculture, in keeping the cost of production down.

Mr. Olson: Yes, Mr. Lind, I will take note of your representations, without comment on what the activities of the Department of Agriculture ought to be. But, as you know, the Canadian Transport Commission are now, I hope, approaching the final stages in setting up acceptable costing formulas; and, of course, there are certain provisions under the Transport Act to deal with this as soon as these costing formulas have been established.

The Vice-Chairman: Thank you.

I now recognize Mr. Horner.

Mr. Horner: Mr. Chairman, I have one comment on Mr. Lind's question about railroading. It is obvious a non-competitive situation exists in the shipping of fertilizers.

I wish, however, to go back to the grain-drying problem. Is it not a fact, Mr. Olson that up until now there has been no duty on small, farmer-owned grain dryers.

Mr. Olson: Yes; that is a fact.

Mr. Horner: Therefore, the removal of the duty, which the Minister announced the other day, really did not help the individual farmers to any extent?

Mr. Olson: That was for a different class of dryer. That is certainly true.

Mr. Horner: This is the point I want to make abundantly clear.

Mr. Olson: It was going to help the farmer have additional grain-drying facilities.

Mr. Horner: Eventually, yes. Has the Government considered enlarging the drying facilities what I call the inland terminals?

Mr. Olson: The answer is yes.

Mr. Horner: Are you going to do it?

Mr. Olson: The Board of Grain Commissioners have indicated that they are ready to consider, and are moving ahead in setting up, auxiliary grain-drying facilities at those terminals, yes.

Mr. Horner: Are you prepared then to move large stationary dryers into, say, the troubled areas, such as southern Manitoba, northern Saskatchewan and northern Alberta and dry grain at a per-bushel rate? This would allow the farmer, if he cannot market that grain, to take it right back home again. At least you would then be making a concrete effort to assist in the difficult problem.

• 1135

Mr. Olson: The Board of Grain Commissioners are going to be as helpful as they can; they have already indicated that. If, however, you are talking about the truck-turn-around...

Mr. Horner: Yes; this type of an operation.

Mr. Olson: ...basis of operation, there are strategic points in addition to, and indeed other than, those at which grain terminal elevators are located, where they would be far more beneficial to farmers because of shorter distances.

This has been discussed with the Alberta Wheat Pool; I was there on Tuesday; and suggestions have been made at other places. Indeed in Manitoba some of the grain companies are now doing this.

As I said earlier, I am sure that the wheat pools, the UGG and the other grain companies are far better equipped to co-ordinate this kind of equipment because they have the men in the field, the knowledge and the expertise, and so on.

Mr. Horner: You missed the point of my question, Mr. Olson.

Is the government considering setting up what I would call truck-turn-around points? I am talking of the grain elevator companies, because they have to purchase the grain, nearly, in order to take possession of it to dry it.

Is the government prepared to move large stationary dryers into the troubled areas?

Mr. Olson: I am not sure that your definition of, or the connotation that you put on, large stationary dryers will necessarily fit into what is moving ahead now.

However, at Saskatoon, in direct response to your question, the answer is yes. They are going ahead and are setting up additional grain-drying facilities for this kind of operation.

Mr. Horner: You are speaking of the large, Government grain elevator at Saskatoon, I would imagine?

Mr. Olson: The terminal.

Mr. Horner: Are they going to buy that grain damp and store it in the terminal?

Mr. Olson: No; we are talking about this truck-turn-around basis.

Mr. Horner: Oh, you are?

Mr. Olson: Yes.

Mr. Horner: At Saskatoon?

Mr. Olson: Yes.

Mr. Horner: Is there any particular reason for your having singled out Saskatoon?

Mr. Olson: No; only because that one is definite. The others are still under consideration relative to how quickly we can set them up, and their location, and so on; but...

Mr. Horner: Yes; but you are going to set up others?

Mr. Olson: We are considering it, and we are working toward that.

Mr. Horner: Why is it that it was accepted at Saskatoon but the others are just being considered?

Mr. Olson: In many instances...

Mr. Horner: Do you believe that this is where the most damp grain is?

Mr. Olson: The proximity of the damp grain to that elevator does, I suppose, put it in a better immediate position than are any of the others; but there are locations where there is lots of...

Mr. Horner: In your opinion how far will farmers truck their grain to get it dried?

Mr. Olson: Pardon me?

Mr. Horner: What radius do you believe that turn-around point for drying grain will serve?

Mr. Olson: That is a pretty difficult question to answer. It depends on the road conditions, and on whether one can go out 20 miles, or 40 miles, or whatever the mileage may be.

We are advised, however, that in crop districts five to nine, which I believe are in the area of which Saskatoon is the centre, there appear to be about 90 million bushels of grain with a high moisture-content.

Mr. Horner: I am stressing this point, Mr. Olson, because it is a well known fact that there are something like 380 million bushels of tough and damp wheat on the prairies. I think the President of the Federal Grain Limited suggested that in total there might be as many as 800 million bushels of damp grain, or tough and damp grains; this includes flax, barley, oats and wheat.

Looking at the total picture I think the Government should be moving rapidly, because at the present date the capacity at inland terminals is something like 1.5 million bushels a month. That would not even begin to handle the desired amount.

The Saskatoon terminal may have a radius of 100 miles, but even if you accept that you will appreciate that it is not really going to serve a very big area.

• 1140

You will have to have a very minimum of a dozen such points throughout southern Manitoba and northern Saskatchewan and—to go further north—in northern Alberta.

Mr. Olson: That is why I suggested that one of the most important things for us to do is to get the whole of the grain industry involved in co-ordinating and setting up this truck-turn-around operation at strategic points.

Mr. Horner: You will not involve the whole of the industry unless you are prepared to show leadership, do you part, and then entice the others to come along with you. You cannot just dump the load on to the grain companies.

Mr. Olson: We are not; we are being as helpful as we can in every area.

Mr. Horner: I would urge upon you that one at Saskatoon will in no way suffice.

Mr. Olson: I mentioned Saskatoon only because it is the first one, and the one on which I could make a definite statement at this point in time.

It certainly is not going to be confined to Saskatoon, or even confined to five or six or eight more points. There may be far more...

Mr. Horner: Can you give the Committee some idea of how many points you have in mind?

Mr. Olson: That is the purpose of the meetings and the discussions that have been going on—to work this out on a sound, economic basis. As you know, you really have to make sure that you are doing this in a way that is going to be useful.

Mr. Horner: I agree; but with a charge of 16 to 18 cents a bushel and something like a total of 380 million bushels of wheat and 800 million bushels of grain I think there is a pretty sound economic reason for the government to step in. The net loss will not be very much, particularly if there is some permanence. They can put them in storage and wait for another year.

I do not agree, Mr. Olson—and I would like your opinion—with the Minister of Trade and Commerce's suggestion in the House the other day that these things only happen once in 20 years. There is ample evidence that with farms getting larger there is going to be greater and greater use of dryers in the years ahead, even with good weather conditions?

Mr. Olson: If some of these estimates that we have been receiving prove to be accurate a problem of this magnitude has probably never happened before. That is what the Minister of Trade and Commerce said. My hon. friend will know that it is now nine years since we had any great problem with tough and damp grain; that was in 1959.

Mr. Horner: 1959, 1961, 1953...

Mr. Olson: The drought was more of a problem that year.

Mr. Horner: 1951.

Mr. Olson: But it was in 1959 that we had a big problem like this.

Mr. Horner: I have one further question on a different subject.

Mr. Peters: May I ask a supplementary question on this subject?

The Vice-Chairman: Yes; go ahead.

Mr. Peters: Is consideration being given to the prospect of direct deliveries of damp grain to the inland terminals rather than to the country elevators?

You may remember the Committee's study of this matter a year ago. I think you, Mr Olson, were a member of that Committee at that time.

One of the problems we found was that places like Moose Jaw had been empty for a considerable period of time. The reason that deliveries were not made there was that it is really a trans-shipping point.

The suggestion was made then that people within a radius of 50 to 100 miles might be able to make deliveries there. Perhaps this would apply in this damp grain situation more than it did before.

Mr. Olson: I think we have to take into consideration a number of aspects of the history of the use of these facilities, as well as what would be most beneficial at this time.

• 1145

Consideration is being given now to whether truck deliveries or rail deliveries at these terminals would be in the best interest of the whole of the western producers. After all, people such as those where I come from, which is reasonably close to Lethbridge, perhaps should not have any greater access to them than someone living farther back, but the fact is that when the Committee was out there studying that situation the terminal at Lethbridge and the terminal at Moose Jaw were empty. The fact of the matter is that the limiting factor at that point in time in the grain marketing was the physical capacity of the railways to deliver grain into export position. There was no shortage of orders and of transport from the tidewater terminals, so that to stop grain and unload it in those terminals at that time was, in fact, not assisting in moving the largest volume into export position but did, in fact, add a cost factor of unloading and loading up again.

Since those marketing conditions have changed all of the inland terminal elevators were filled with dry grain to make use of the storage facilities there. That has changed but the Canadian Wheat Board did issue shipping orders to take sufficient quantities of that dry grain out of those inland terminal elevators so that there would be enough space around the drying facilities there to make maximum use of them. This is how these things change from time to time in the best use and the

most economic use, as far as farmers are concerned, of those terminals.

Mr. Peters: There is another question; the recommendation at that time was also made that we reorient those inland terminals to provide an export grade from the inland terminals so that all that happened at the Coast where a bottleneck had developed was a hoisting operation, an unloading operation.

Mr. Olson: I would have to check this out but I believe that for the most part the dry grain that went into storage in those inland terminals was, in fact, cleaned so that it was up to export standards when it left them. I do not make that as a categorical statement because I would have to check it, but there are cleaning facilities and machines or equipment there that will bring that grain up to export standards and I think that is the procedure that was used in filling them some time ago with dry grain.

Mr. Horner: Just one more question, Mr. Chairman. Mr. Minister, with regard to the feeding aspects of barley and other grains that are tough and damp, it is a well known fact that a feed mill cannot handle the damp grain unless it is moved right out immediately and fed, so they are not really going to be of any major assistance. Has the Department given any thought to or made any study of the new idea of glass-lined steel silos for the storing of moist barley? You actually turn it into silage and it can be stored all summer and all winter very, very moist in these steel silos.

It is my impression that there is still a heavy duty on these steel silos coming in from the United States. Has the Department given any thought to that problem and to removing the duty on them in order to assist the farmers? I am thinking of areas in northern Saskatchewan, northern Alberta and perhaps even Manitoba where they might have a tremendous amount of damp barley.

Mr. Olson: We have done some work on it. I am not prepared to give any definitive answer what would or could or should be done in this respect. Concerning your other point of whether or not there is duty, I am not sure that there is at the present time, but we can have a look at it.

Mr. Horner: Would you take a look at it?

Mr. Olson: Yes, we can have a look at it.

Mr. Horner: This is a new concept, I would say, in the drying of grain or in the handling

and storing of grain, damp grain particularly, so would the Department take a quick look at the success of these operations in the United States—they tell me they have been doing it down there—and then study the feasibility of removing the duty. I do not see them as a major grain saver but in some areas they could help many farmers who are carrying on a milking operation or a beef feeding operation and have a lot of damp barley to handle.

• 1150

Mr. Olson: There is one point here. It is a matter of cost. These silos are relatively expensive.

Mr. Horner: Oh, yes, I know.

Mr. Olson: They are used in the United States for storing high moisture corn but we can have a look at it and try to have a report for the Committee.

Mr. Horner: I know they are very expensive but I am thinking of the person who has a lot of dairy cattle or beef cattle and has a lot of barley and cannot possibly handle his damp barley before spring.

Mr. Olson: Yes.

The Vice-Chairman: Thank you, Mr. Horner.

Mr. Cobbe: Mr. Chairman, I would like to state that I know there is duty and has been on—

An hon. Member: These silos.

Mr. Cobbe: Well, I was referring more to the grain dryers, especially the batch dryers which is the type more commonly used, possibly, by individual farmers in the past. I would hope that the farm people would be given as much information as possible on the possible damage of drying grain, because if we consider bringing in custom dryers from the United States I am concerned about the fact that a lot of the farmers are not totally aware of the problems that exist with drying the grain. Extensive custom drying could prove costly to the farmer if the grain is damaged through the drying. I do not know what protection the farmer would have against a custom dryer damaging the grain.

Mr. Olson: We are very keenly aware of that problem and we are doing everything we can to make sure that they do not do such things as over-heat the grain resulting in burnt kernels, and that sort of thing, because this is a very serious matter affecting the

quality of the whole batch afterwards. We are extremely concerned about it.

Mr. Peters: Is there a pamphlet on this available to the farmers?

Mr. Olson: Yes.

Mr. Cobbe: There is another point which possibly one of you can answer. I am not thoroughly convinced yet that in our experiments we have advanced to the point perhaps we should have with regard to the production of what we call a soft wheat to be produced in Canada, due to the changing in-markets which we realize have come across us fairly hastily. Are we convinced that we are doing everything we can to produce the proper seed that the farmers should be growing for our export markets? This is something that I have not been really convinced we are keeping up. I feel that we are falling and have fallen behind in this.

Mr. Olson: I have taken the time during the last four or five months to become as well informed as I can on this, with some of the varieties that are being offered or suggested for development both here in Canada and in the United States. The position at this point in time, as far as I am concerned, is that if there are some new varieties that could be identified and would be useful for purposes other than for milling and baking, we should allow people to try to grow them.

There is not a significantly superior new variety now that meets the standards we have for milling and baking, that is, Marquis or better. We have several selected families that are coming along rather well and I do not think it will be long.

I am satisfied, after having examined this as much as a layman can, that we are at least equal to and, in my opinion, substantially farther ahead than most other countries including the United States in developing a new breed or a new family of wheat that would have the milling and baking qualities that measures up to our standards.

The Vice-Chairman: Thank you, very much. Mr. Côté.

[Interpretation]

Mr. Côté (Richelieu): Well, Mr. Chairman, when I asked you for the floor a moment ago, it was not to put a question, it was rather to make a comment on the validity of the new system of classification of accounts. The minister and deputy-minister then gave full explanation of the new system so I have

nothing to add and am personally ready to pass the estimates as soon as possible.

The Vice-Chairman: Thank you very much, Mr. Côté.

• 1155

[English]

The Vice-Chairman: Gentlemen, that concludes out study of Item 1.

Shall Item 1 carry?

Item 1 agreed to.

The Vice-Chairman: Shall the Revised Main Estimates for 1968-69 relating to Agriculture, the Canadian Dairy Commission, Canadian Livestock Feed Board and the Farm Credit Corporation be recommended and reported to the House?

Mr. Gleave: Mr. Chairman, there is one item I noticed concerning the Board of Grain Commissioners. I do not know whether anyone here would second a motion I would make, but it occurred to me that the services the Board of Grain Commissioners are providing have remained fairly static, that their facilities have not been expanded in recent years. I think the laboratory services of the Board of Grain Commissioners especially should be expanded and that this should be looked into by this Committee and reported on. I am rather new around here and I do not know the procedure that is ordinarily followed.

The Vice-Chairman: Mr. Gleave, if I remember correctly, when those gentlemen were before us it was mentioned that they planned to increase and enlarge those facilities in Winnipeg.

Mr. Gleave: I did not get that impression. I was the one who posed the question. I asked them how much expansion had taken place and their reply was that within their present facilities and their present space they did not have room really to grow. I am speaking from memory but I think this was the answer I got.

I am not satisfied with this situation and I move that the amount of space and facilities that the Board of Grain Commissioners have be carefully considered with a view to expanding the laboratory facilities especially as well as their information facilities.

Mr. Olson: Mr. Gleave, I can inform you that this matter of a larger lab with the

facilities you have generally outlined is now under study with the Department of Public Works.

Mr. Gleave: It is now under study?

Mr. Olson: Yes.

Mr. Gleave: And action will be taken, Mr. Minister?

Mr. Olson: Certainly action will be taken, but I would not like to try to give you a date.

Mr. Gleave: I hardly expected that. This would be most unusual in government circles.

There is another point I want to raise before these estimates are accepted. I asked some questions concerning cereal breeding. I do not have the Proceedings before me but as I recall we had approximately six top people on plant breeding in Western Canada, but the one that was supposed to be in Saskatchewan had been off in Africa for a matter of a year or two years, I believe. It is in the record in any case. I am not satisfied that we are spending enough money on plant breeding and plant and cereal research and I would like also to raise this question before these estimates are accepted and carried as satisfactory to this Committee.

The Vice-Chairman: Mr. Gleave, we already have carried item No. 1. We had carried the other items in the estimates and unless I am mistaken that was not so that we could do what you are proposing to do. You will have plenty of opportunity later on to express your views on that matter, maybe even today in the House, or when we consider it in the estimates for 1969 and 1970 after the Christmas recess when they will be referred to the Committee. So, if I am correct...

• 1200

An hon. Member: Correct.

Mr. Gleave: Item No. 1 is carried then? What is before the meeting at the moment?

The Vice-Chairman: Right now, if we agree, we have to return the Estimates to the House so they will be discussed this afternoon.

Mr. Gleave: I want to register my point.

The Vice-Chairman: It is taken, sir.

Mr. Gleave: I am not satisfied that the effort is being made that should be made in

these two areas of research and the operations of the Board of Grain Commissioners and I want it clearly said that I do not wish to cast any reflection on those who are presently commissioners of the Board. They are doing probably what they can do under the limitations of finance that have been imposed on them.

The Vice-Chairman: Thank you, Mr. Gleave.

Mr. Douglas: Mr. Chairman, I would like to agree with Mr. Gleave. More money should be spent on research and on grain varieties particularly.

The Vice-Chairman: Thank you, Mr. Douglas.

Mr. Olson: I just want to make one comment. I am sure that the research department, particularly on cereal plant breeding, could use more money but let us be a little objective about what has happened. I think a review of the situation over a number of years is that there have probably been more varieties developed in Canada, accepted on the North American continent, in spite of the small staff and the relatively small amount of money, than in any other comparable situation. Dollar for dollar we are getting excellent results from what goes into this particular branch of research. I can go over a whole lot of varieties that have been developed here in Canada and been accepted elsewhere and this is substantially higher than the imported varieties that have been accepted here.

Mr. Gleave: Well, Mr. Chairman and Mr. Minister, I have not failed to be impressed by the calibre of the men who are in our research facilities but I have failed to be impressed by the amount of money and support which we have given to them as a society or as a government, whichever way you want it put. My information is not only in the estimates before this Committee. I have talked to research people over the years and I am convinced that our research is inadequate. It is inadequate in the field of barley for example. We may have done better in wheat. I want clearly to leave my opinion before this Committee on this matter.

Mr. Horner: Is there any stipulation in the regulations that private feed companies cannot get into the development of new varieties, plant genetics, in any way, shape or form? Is there anything prohibiting private companies from doing this?

Mr. Olson: No, there is not but of course we have the responsibility for licensing varieties after we have tested whatever they want to present to us for tests.

Mr. Horner: I noticed that the Government gave a \$75,000 grant to Crane Canada Limited to devise a better bathroom. Is the Government considering giving any grants to encourage private industry to get into plant genetics in any way, shape or form to devise a better and a more productive feed—barley, for example or feed grains?

Mr. Olson: I am advised that we do give grants, some over a million dollars through the universities for this ...

Mr. Horner: I am not talking about the universities. I am talking about private industry, private feed companies—Ralston Purina Company Limited or whatever it may be?

• 1205

Mr. Olson: There have been some. National Research Council has made some grants, I think to the Maple Leaf Mills, Limited.

[Interpretation]

The Vice-Chairman: One moment, if you please. Dr. Woodward would like to reply.

[English]

Dr. Woodward: Mr. Chairman, assistance to industry is given under the policies administered by the National Research Council and the Department of Industry, and specifically under the Industrial Research Assistance policy which is administered by the National Research Council under which we are consulted concerning support to industry. There is a precedent for support of private plant breeding to a subsidiary of Maple Leaf Mills Limited in the form of assistance in the salaries and wages of a staff for plant breeding.

Mr. Horner: I mentioned it because I think Government should take another look at this. We have lagged behind a lot of other countries. I am not blaming anybody; maybe it is our weather, maybe it is our growth, but Mexico is coming out with new varieties of wheat, and the United States is away far ahead of the world in new varieties of hybrid corn. Perhaps we have fallen behind by not encouraging private industry to get into the

plant breeding as well as the Government and the universities.

Mr. Olson: Mr. Chairman, I do not accept at all that agricultural research in Canada is lagging behind anybody.

Mr. Horner: Do you disagree with the facts in the Economic Council's Report? I do not agree with them completely.

Mr. Olson: Neither do I.

Mr. Horner: I have always thought that where there is smoke there might be fire. I feel we should take a look at it.

The Vice-Chairman: Shall the revised estimates for 1968-69 relating to Agriculture, the Canadian Dairy Commission, Canadian Live-stock Feed Board and the Farm Credit Corporation be recommended and reported to the House?

Some hon. Members: Agreed.

The Vice-Chairman: Thank you very much. Gentlemen, I would like to thank the Minister and all the members of the Department of Agriculture who have appeared before us. We were very impressed by the quality of the members of the Department who were here to answer our questions. I would like also to add to that the name of our Chairman, Mr. Beer, who is absent today on a duty. I also express my appreciation, and I am sure the appreciation of all the members of the Committee, to our witnesses during these sessions. My thanks also to all the members of the Committee who have been very co-operative and I know it will be very interesting when we continue with the next Estimates. In the meantime we will probably have some other Committees sitting to consider other subjects which the Steering Committee will probably prepare.

Mr. Horner: Are you referring to the Wheat Board Mr. Chairman? Are we going to have them before the Committee?

The Vice-Chairman: This is not referred to the Committee yet. I do not know if it will be.

Mr. Horner: Is the Committee going to request that it be referred?

The Vice-Chairman: This will be discussed by the Steering Committee with the Department. I do not know if we will have them. Before we adjourn, Mr. Lambert, do you have a question?

[Interpretation]

Mr. Lambert (Bellechasse): Yes, Mr. Chairman. We have received an announcement from the Department of Agriculture to the effect that the present minister has been elected by the OECD Agricultural ministers' association. So, from a Canadian point of view, we should, as Canadians, welcome this appointment and we should table a motion here to congratulate the minister for having been elected to such a position which will certainly be to the advantage of the country.

The Vice-Chairman: I don't know whether this is in order to do it formally, Mr. Lambert, but I believe that the matter you just raised is extremely interesting indeed. And I believe that all members of the Committee are quite happy by your support in order to express their appreciation and congratulations to the Minister for the honour conferred on him at a recent meeting in Paris.

• 1210

The Vice-Chairman: Gentlemen, this being all for today, the Committee is adjourned at the call of the Chair. Thank you all very much.

APPENDIX B

COMPARATIVE PRICES¹ PAID BY FARMERS FOR SELECTED FERTILIZERS,
CANADA AND U.S.A., 1966 AND 1967

CANADA		U.S.A.		Fertilizer Group	
				1966	1967
		Canada	U.S.A.	Canada	U.S.A.
		(dollars per ton)		(dollars per ton)	
		8-16-16			
Quebec.....	Maine, New Hampshire, Vermont, New York.....	85.2	74.9	86.1	75.2
		5-20-20			
Ontario.....	New York, Ohio, Michigan.....	81.5	73.5	81.4	72.8
		10-10-10			
Quebec.....	Maine, New Hampshire, Vermont, New York.....	75.2	64.8	75.4	65.4
Ontario.....	New York, Ohio, Michigan.....	69.5	66.5	70.0	67.5
		Ammonium Nitrate (33.5%)			
Ontario.....	New York, Ohio, Michigan.....	85.8	79.5	85.9	77.5
Manitoba.....	Minnesota, North Dakota.....	85.0	79.0	90.5	76.2
Saskatchewan.....	North Dakota, Montana.....	78.8	81.5	88.0	75.2
Alberta.....	Montana.....	76.2	84.0	86.0	81.0
British Columbia...	Idaho, Washington.....	90.9	86.0	90.8	86.2
		UREA			
Quebec.....	Maine, New Hampshire, Vermont, New York.....	126.5	109.5	126.5	105.0
Ontario.....	New York, Ohio, Michigan.....	126.5	102.8	126.5	100.0

¹ Prices are in the currency of each country.SOURCES: Canada—Farm Finance Section, Agriculture Division, D.B.S.
U.S.A.—Agricultural prices, Annual Summary, U.S.D.A.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE
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★ FEB 17 1969
UNIVERSITY OF TORONTO
AGRICULTURE

L'AGRICULTURE

Chairman Bruce S. Beer *Président*

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 12

TUESDAY, JANUARY 21, 1969

RÉUNION DU MARDI 21 JANVIER 1969

Respecting

Bill C-155, the Pesticide Residue
Compensation Act

Concernant

Bill C-155, Loi sur l'indemnisation pour
dommages causés par les pesticides

Including Indices to Proceedings Re: 1968-69
Revised Main Estimates of Department of
Agriculture including Board of Grain Com-
missioners, Canadian Dairy Commission,
Canadian Livestock Feed Board, Farm
Credit Corporation.

Y compris l'index des délibérations concer-
nant le budget principal révisé (1968-1969)
du ministère de l'Agriculture y compris la
Commission des grains, de la Commission
canadienne du lait, de l'Office canadien des
provendes, de la Société du crédit agricole.

Appearing:

The Honourable H. A. Olson, Minister
of Agriculture

A comparu:

L'honorable H. A. Olson, ministre
de l'Agriculture

Witnesses:

From the Department of Agriculture:

Deputy Minister
Director General of Produc-
tion and Marketing
Departmental Legal Adviser

S. B. Williams
C. R. Phillips
Harvey Newman

Témoins:

Du ministère de l'Agriculture:

Sous-ministre
Directeur-général de la Pro-
duction et des marchés
Conseiller juridique

STANDING COMMITTEE ON AGRICULTURE

Chairman
Vice-Chairman
and Messrs.

Barrett,
Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas,
²Duquet,
Foster,
Gauthier,
Gleave,

Bruce S. Beer
Marcel Lessard
(*Lac-Saint-Jean*)

Horner,
Howard (*Okanagan*
Boundary),
Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lefebvre,
Lind,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),

COMITÉ PERMANENT DE L'AGRICULTURE

Président
Vice-président
ET MM.

Peters,
Pringle,
Roy (*Laval*),
¹St. Pierre,
Southam,
Thomson (*Battleford-Kindersley*),
Whicher,
Yanakis—30.

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

¹ Replaced Mr. Stewart (*Okanagan Kootenay*) on January 21, 1969.

² Replaced Mr. Smith (*Saint-Jean*) on January 21, 1969.

¹ Remplace M. Stewart (*Okanagan Kootenay*), le 21 janvier 1969.

² Remplace M. Smith (*Saint-Jean*), le 21 janvier 1969.

CORRIGENDA

(*English only—version anglaise seulement*)

Issue No. 11, Thursday, December 5, 1968: page 11-5, eleventh last line;
and
page 241 at the top:
"Appendix B" should read "Appendix E"

(*Version française seulement—French only*)

Fascicule n° 1, le jeudi 17 octobre 1968, page 1-5,
paragraphe 4, dernière ligne:
«Barrie» devrait se lire «Beer».

ORDERS OF REFERENCE

TUESDAY, January 14, 1969.

Ordered,—That the following Bills be referred to the Standing Committee on Agriculture:

Bill C-155, An Act to provide compensation to farmers whose agricultural products are contaminated by pesticide residue, and to provide for appeals from compensation awards;

Bill C-154, An Act to prevent the introduction or spreading of pests injurious to plants;

Bill C-156, An Act to amend the Animal Contagious Diseases Act; and

Bill C-157, An Act to regulate products used for the control of pests and the organic functions of plants and animals.

WEDNESDAY, January 15, 1969.

Ordered,—That Bill C-112, An Act to amend the Farm Machinery Syndicates Credit Act be referred to the Standing Committee on Agriculture.

ATTEST:

ALISTAIR FRASER

The Clerk of the House of Commons

ORDRES DE RENVOI

Le MARDI 14 janvier 1969

Il est ordonné,—Que les bills suivants soient déferés au comité permanent de l'agriculture:

Bill C-155, Loi prévoyant l'indemnisation des cultivateurs dont les produits agricoles sont contaminés par les pesticides, et prévoyant des recours contre les décisions relatives à l'indemnisation;

Bill C-154, Loi ayant pour objet d'empêcher l'introduction et la propagation de parasites nuisibles aux plantes;

Bill C-156, Loi modifiant la Loi sur les épizooties; et

Bill C-157, Loi ayant pour objet de réglementer les produits utilisés pour détruire les parasites et agir sur les fonctions organiques des plantes et des animaux.

Le MERCREDI 15 janvier 1969

Il est ordonné,—Que le Bill C-112, Loi modifiant la Loi sur le crédit accordé aux syndicats de machines agricoles soit déferé au comité permanent de l'agriculture.

ATTESTÉ:

Le Greffier de la Chambre des communes

ALISTAIR FRASER

MINUTES OF PROCEEDINGS

(Text)

TUESDAY, January 21, 1969.
(13)

The Standing Committee on Agriculture met this day at 9.40 a.m., the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas, Duquet, Gauthier, Gleave, Horner, Korchinski, Lambert (*Bellechasse*), La Salle, Lefebvre, Lessard (*Lac-Saint-Jean*), Lind, Peters, Pringle, Roy (*Laval*), St. Pierre, Southam, Whicher, Yanakis—(24).

Also present: Mr. Alkenbrack, M.P.

In attendance: From the Department of Agriculture: The Honourable H. A. Olson, Minister; Mr. S. B. Williams, Deputy Minister; Mr. C. R. Phillips, Director General of Production and Marketing; Mr. C. H. Jefferson, Director of Plant Products Division; Dr. D. S. MacLachlan, Director of Plant Protection Division; Mr. Harvey Newman, Departmental Legal Adviser.

Following the Chairman's reading aloud of Standing Order 65(7), Mr. Lessard moved:

That the Chairman be authorized to hold meetings, to receive and authorize the printing of evidence, when a quorum is not present.

After some discussion, by agreement, the motion was withdrawn.

The Committee entered upon consideration of Bill C-155: An Act to provide compensation to farmers whose agricultural products are contaminated by pesticide residue, and to provide for appeals from compensation awards: short title—Pesticide Residue Compensation Act.

The Chairman welcomed the Minister, and Mr. Williams introduced the others in attendance.

PROCÈS-VERBAL

(Traduction)

Le MARDI 21 janvier 1969
(13)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 40 sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas, Duquet, Gauthier, Gleave, Horner, Korchinski, Lambert (*Bellechasse*), La Salle, Lefebvre, Lessard (*Lac Saint-Jean*), Lind, Peters, Pringle, Roy (*Laval*), St. Pierre, Southam, Whicher et Yanakis (24).

De même que: M. Alkenbrack, député.

Aussi présents: Du ministère de l'Agriculture: L'honorable H. A. Olson, ministre; M. S. B. Williams, sous-ministre; M. C. R. Phillips, directeur général de la Production et des Marchés; M. C. H. Jefferson, directeur de la Division des produits végétaux; M. D. S. MacLachlan, directeur de la Division de la protection des végétaux; M. Harvey Newman, conseiller juridique du Ministère.

Le président donne lecture du Règlement 65(7) et M. Lessard propose:

Que le président soit autorisé à tenir des réunions pour entendre les témoignages et à en autoriser la publication en l'absence d'un quorum.

A l'issue d'une courte délibération, la proposition est retirée du consentement du Comité.

Le Comité entreprend l'étude du bill C-155, Loi prévoyant l'indemnisation des cultivateurs dont les produits agricoles sont contaminés par les pesticides, et prévoyant des recours contre les décisions relatives à l'indemnisation. Titre abrégé: Loi sur l'indemnisation pour dommages causés par les pesticides.

Le président accueille le Ministre, et M. Williams présente les autres témoins.

On clause 2 of Bill C-155, the Minister made an opening statement.

Following a discussion on procedure, during which the Chairman read aloud Standing Order 75(1), the Committee proceeded with clause by clause consideration of the Bill.

On clause 2, the Minister was questioned. Messrs. Williams, Phillips and Newman also answered questions.

Clause 2 was carried.

On clause 3, the Minister, Mr. Williams and Mr. Phillips answered questions.

On a question from Mr. Gleave, the Minister agreed to provide supplementary information.

Clause 3 was allowed to stand.

At 11.48 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

Le Ministre fait une déclaration d'ouverture sur l'article 2 du bill C-155.

Après un court débat de procédure au cours duquel le président donne lecture du Règlement 75(1), le Comité procède à l'étude du bill article par article.

Article 2. Le Ministre est interrogé. Des réponses sont également données par MM. Williams, Phillips et Newman.

L'article 2 est adopté.

Article 3. Le Ministre, M. Williams et M. Phillips répondent aux questions qui leur sont posées.

Sur une question de M. Gleave, le Ministre accepte d'apporter un complément d'information.

L'article 3 est réservé.

A 11 h. 48 du matin, la séance est levée jusqu'à nouvelle convocation du président.

Le secrétaire du Comité,
Michael A. Measures.

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday, January 21, 1969.

● 0939

[Texte]

The Chairman: Gentlemen, I think I see a quorum. I want to say how much we appreciate the promptness of the members in attending our first meeting this morning. We are breaking rather new ground. We are pioneering in a new procedure in the legislative aspect of our business. I hope that you will be tolerant with the Chairman and the Chairman will endeavour to be as co-operative and as fair in dealing with all aspects of our considerations as possible.

I want to direct your attention first of all to Standing Order 65(7), which reads as follows:

The presence of a quorum shall be required whenever a vote, resolution or other decision is taken by a standing or a special committee, provided that any such committee, by resolution thereof, may authorize the chairman to hold meetings to receive and authorize the printing of evidence when a quorum is not present.

As a consequence, it would be in order to have the following motion:

That the Chairman be authorized to hold meetings to receive and authorize the printing of evidence when a quorum is not present.

Mr. Lessard (Lac-Saint-Jean): I so move.

Mr. Whicher: I second the motion.

The Chairman: Moved by Mr. Lessard, seconded by Mr. Whicher, that the motion as read be adopted.

● 0940

Mr. Danforth: Mr. Chairman, I think we should have a discussion on that. This brings up an entirely new proposition in the committee work. Does the Committee feel it advisable to pass such a resolution until we see how the Committee is operating and unless we feel it is necessary. This morning we have a quorum present and such a resolution would not be necessary. I wonder if we are not perhaps going into this rather too quickly. The purport of this resolution would be that the Committee would then have power to sit and take

TÉMOIGNAGES

(Enregistrement électronique)

[Interprétation]

Le président: Messieurs, nous avons le quorum. Je dois vous dire combien nous sommes heureux de voir que les membres ont été très ponctuels pour cette première réunion, ce matin. Nous entrons dans un nouveau domaine. Nous abordons une nouvelle procédure législative pour nos travaux. J'espère que vous serez tolérants envers le président; le président va s'efforcer de coopérer dans tous les aspects de nos travaux.

Je voudrais d'abord attirer votre attention sur le paragraphe (7) de l'article 65 du Règlement:

La présence d'un quorum est nécessaire lorsqu'un comité permanent ou spécial est appelé à se prononcer sur un crédit, une résolution ou une autre décision; toutefois, ces comités peuvent, par une résolution, autoriser le président à tenir des réunions pour entendre les témoignages et à en autoriser la publication en l'absence d'un quorum.

Par conséquent, il serait bon que la motion suivante soit déposée:

Que le président soit autorisé à tenir des réunions pour entendre les témoignages et à en autoriser la publication en l'absence d'un quorum.

M. Lessard (Lac-Saint-Jean): J'en fais la proposition, monsieur le président.

M. Whicher: J'appuie la motion.

Le président: M. Lessard, appuyé par M. Whicher, propose que la motion, telle qu'elle vous a été lue, soit adoptée.

M. Danforth: Monsieur le président, je pense que nous devrions discuter un peu de la question parce que c'est quelque chose de tout à fait nouveau. Le comité pense-t-il qu'il est souhaitable de voter une telle résolution? Est-ce nécessaire de le faire? Ce matin, nous sommes en nombre, par conséquent, une telle résolution ne serait pas nécessaire. Je me demande vraiment si nous n'allons pas un peu trop vite.

Le but, en effet, de cette résolution, est de permettre au comité de siéger et d'entendre

[Text]

evidence with only two of its members present. I wonder if, after all, this is the way the Committee is designed to function.

I would certainly like to hear some discussion on this, especially why it is felt necessary that such a resolution should be passed.

The Chairman: I would think that you would not be expressing much confidence in your Chairman if you think that we would listen to witnesses with only two members present. After all, that would be most unreasonable. I think that the motion as presented suggests that we would be able to hold meetings and we would be able to hear evidence—with a reasonable quorum, of course—but that a quorum would be required whenever a vote is taken or whenever any other resolution or other decision is taken by a standing committee or a special committee. Actually, it really only means that we could go ahead and hear evidence without the necessity of adhering to the quorum requirement.

Mr. Korchinski: Mr. Chairman, I do not think this is a question of having confidence in the Chairman at all. I do not think this enters into the discussion. However, I do think that since more emphasis is being placed on committee work, or it would appear so under the new rules, and while we are breaking new ground, I do not think at this particular stage this resolution should be passed. I think we should make an attempt to see whether the Committee work is functioning, as is perhaps intended under the new rules, and if there does not appear to be any evidence of the general membership backing the committee work, then perhaps there is something wrong with the new rules.

I think to suggest at this particular stage that we should go ahead with the committee work, realizing that greater emphasis on committee work is now being placed in the sense that we are now studying bills—in fact, we have foregone any discussion in the House in what might normally have been the resolution stage or the second reading simply so that we could discuss it—and if we cannot even form a quorum in committee to discuss important bills that should normally have been discussed in the House, then they should go right back to the House. I suggest very strongly that I do not think at this particular stage we should entertain such a resolution.

Mr. Barrett: Mr. Chairman, I cannot conceive where their philosophy lies. If this is so important I can see no reason why we will not have a quorum. This is the first thing. Also, I can see no reason, if we do not have a

[Interpretation]

les témoignages avec deux députés présents seulement. Je me demande vraiment si, après tout, c'est de cette manière que doit fonctionner le comité. J'aimerais que l'on discutât un peu de la question, notamment, pourquoi devrait-on voter cette résolution.

Le président: Eh bien, je ne pense pas que vous fassiez preuve de beaucoup de confiance en votre président si vous pensez que deux députés suffisent pour entendre les témoins. Après tout, ce serait là très peu sage. Je pense que la résolution, telle qu'elle a été présentée, demande simplement que l'on puisse tenir des réunions et entendre des témoignages (avec un quorum raisonnable, bien sûr) mais qu'il serait nécessaire d'avoir le quorum chaque fois qu'il faudra procéder à un vote, prendre une décision ou voter sur une résolution quelconque. En fait, cela revient à dire simplement que nous pouvons aller de l'avant et entendre les témoignages sans qu'il soit nécessaire de nous en tenir à l'exigence de quorum.

M. Korchinski: Monsieur le président, je ne pense pas qu'il s'agisse de savoir si on a confiance dans le président, ou non. Je pense que c'est tout à fait hors de propos.

Mais, étant donné qu'on insiste surtout sur les travaux en comité, du moins c'est ce qui semble être le cas d'après le nouveau Règlement, je pense que, dans l'état actuel des choses, et comme nous entrons dans un domaine nouveau, je ne pense pas que cette résolution doive être votée. Il faudrait chercher à voir si le comité fonctionne comme on l'envisage peut-être dans le nouveau Règlement, mais si cette façon de procéder ne semble pas recueillir l'assentiment de tous les députés, peut-être y a-t-il alors quelque chose qui cloche dans le nouveau Règlement.

Je pense qu'il faudrait poursuivre les travaux du comité en ayant à l'idée que, maintenant, l'accent est mis sur cet aspect de la question et que nous étudions des projets de loi. En fait, nous n'avons pas discuté de la question à la Chambre lors de ce qui aurait pu être, disons, le stade de la résolution ou de la deuxième lecture, simplement pour en discuter. Alors, s'il ne peut y avoir de quorum ici pour discuter des bills qui n'ont pas été étudiés à la Chambre, on devra les renvoyer à la Chambre. Je crois fermement, à cette étape-ci, qu'on ne devrait pas tenir compte de cette résolution.

M. Barrett: Il s'agit de savoir ce que l'on veut. Si cela est si important, je ne vois pas pourquoi nous n'aurions pas un quorum. Et si on n'a pas le quorum, je ne vois pas pourquoi on ne pourrait pas entendre les témoins et

[Texte]

quorum, that we cannot listen to witnesses and listen to the regular procedure. You indicated the proviso that we are not going to have any votes, so what is their concern? If they are interested they will be here. If they are not here, then we should proceed with the witnesses that we have arranged for previously. We just cannot hold this thing up until doomsday because we do not have a quorum. Otherwise we are defeating the very purpose of discussing things in committee.

● 0945

Mr. Pringle: Mr. Chairman, there have been times when witnesses have gone to a lot of trouble and have had to postpone work in their own offices to come over to a committee and the meeting may be one short of a quorum, which essentially would require them to return to their offices or spoil their whole day, where we could have listened and we could have recorded the information that they had to give us, which would make it possible for us to at least have a continuing effect as far as the committee is concerned, even if we could not have a decision effect. I feel that we should support the resolution on that basis.

The Chairman: We have had wonderful co-operation in the committee and this motion would really only have the effect of legalizing what the Chairman has been doing anyway; that is, going ahead with the meeting at the time the meeting was called even though there might not always have been a full quorum. I really do not see that it is that urgent or important to us at this particular stage. There may be those who feel that this would be a sharp procedure and there is no thought or intention of having such a motion on the...

Mr. Southam: Mr. Chairman, may I ask where this motion originated? Who thought this up, to start with? This is a rather strange departure. I agree with Mr. Danforth that there is no reflection on you as Chairman, and I agree that I think most members on this Committee have given evidence that they have been very conscientious and serious by attending these meetings, and so on, but in my opinion if we put a motion like this through it would lead to the degeneration of the committee system rather than building it up.

The Chairman: This is a new stand. I will recognize Mr. Clermont.

M. Clermont: Monsieur le président, comme vous l'avez mentionné, ceux, qui ont préparé la nouvelle procédure s'appliquant soit à la Chambre des communes ou aux comités, ont

[Interprétation]

suivre la procédure habituelle. Alors, pour-quoi nous inquiétons-nous? Puisque nous sommes ici, eh bien! il faudrait entendre les témoins que nous avons convoqués. On ne peut pas retarder les choses éternellement, tout simplement parce qu'on n'a pas le quorum. Sinon, on est en train de nier l'existence même du comité.

M. Pringle: Monsieur le président, il y a eu des cas où les témoins ont connu beaucoup de difficultés, ont perturbé leurs travaux dans leurs propres bureaux pour venir ici au comité. Si on acceptait cette règle du quorum, il faudrait qu'ils retournassent chez eux. On aurait pu, autrement, entendre et enregistrer leurs témoignages, et cela aurait donné une continuité aux travaux du comité, même s'il ne peut prendre aucune décision. Je pense qu'il faudrait soutenir la résolution sur cette base.

Le président: Nous avons eu une très bonne coopération au sein du comité, et cette motion, en fait, n'aurait pour simple effet que de légaliser ce que le président a fait déjà, c'est-à-dire nous permettre de siéger au moment où le comité a été convoqué, même s'il n'y a pas toujours le quorum. En fait, je ne vois vraiment pas pourquoi ce serait aussi urgent pour nous, actuellement. Peut-être y en a-t-il parmi vous qui pensent que ce serait là quelque chose de très bien et qu'il n'y aurait peut-être pas besoin d'avoir recours à une motion.

M. Southam: Monsieur le président, puis-je savoir qui a présenté cette motion? En fait, c'est une situation assez bizarre. Je reconnais, comme l'a dit M. Danforth, que cela n'a rien à voir avec la question de la confiance dans le président ou non. Pour moi, soumettre une motion de ce genre entraînerait la dégénération des comités.

Le président: C'est une nouvelle attitude. M. Clermont.

Mr. Clermont: Mr. Chairman, as you mentioned, those who have prepared the new proceedings, either for the House of Commons or for the Committees have suggested in Stand-

[Text]

suggéré à l'article 65, paragraphe 7, les possibilités d'une telle résolution et j'admets avec vous, monsieur le président, que cette résolution ne devrait être mise en pratique que dans les cas où nous entendons des témoignages. Je doute beaucoup qu'un président prenne l'initiative de commencer les délibérations lorsque nous étudions une législation article par article.

Si une telle motion n'est pas approuvée ce matin, à chaque fois que vous la ramènerez, monsieur le président, il y aura des objections, pour ma part, je ne m'oppose pas du tout à ce qu'une telle résolution soit présentée au Comité pour son approbation ou son rejet.

Mr. Danforth: Mr. Chairman, may I say that by the very wording of the resolution it is just an exercise in futility. If the wishes of some committee members are overruled in this respect, all a member has to do on coming to a committee, if there is less than a full quorum, is move that the committee adjourn until such time as there is a quorum, which forces a vote and then we cannot sit anyway.

Mr. Pringle: Yes, but we cannot vote without a quorum.

Mr. Danforth: That is right, and we cannot sit if there is a motion to vote.

Mr. Barrett: That is the whole idea of the thing. It is not a case of voting. In other words, if we have witnesses here and all of a sudden half a dozen of us walk out, the meeting comes to an end.

Mr. Danforth: I appreciate that, but the resolution says unless we have a quorum we cannot vote.

Mr. Barrett: That is right, but we can still listen to witnesses.

Mr. Danforth: Then if there is less than a quorum...

The Chairman: Will you recognize the Chair, please.

Mr. Danforth: I am sorry, Mr. Chairman.

The Chairman: I think we do have a motion duly moved and seconded which could be presented, and I think it would probably carry. I do not think it would be the wish of the Committee or of the Chairman, or anyone else concerned, to limit discussion and so this discussion could go on for quite some considerable time. I think it would probably be much better to leave the motion in abeyance.

If we are not going to act on it we probably should have a motion to rescind or withdraw

[Interpretation]

ing Order 65, subsection 7, the possibility of such a resolution and I agree with you, Mr. Chairman, that this resolution should only be put into effect in those cases in which we hear witnesses. I doubt very much that a Chairman would take the initiative of starting proceedings while we submit a piece of legislation to clause-by-clause study.

If such a motion is not passed this morning, each time you will bring forward this motion, Mr. Chairman, you will hear reasons against such a motion. Personally, I have no objection whatsoever to having the motion put to the Committee for approval or rejection.

M. Danforth: Monsieur le président, puis-je dire que les termes mêmes de la résolution sont un exercice un peu futile. Si certains députés ne sont pas d'accord, eh bien! la seule chose qu'ils ont à faire, lorsqu'il n'y a pas de quorum, c'est de proposer l'ajournement jusqu'à ce que le quorum soit atteint pour voter. Et de toute façon on ne peut siéger.

M. Pringle: Mais on ne peut pas voter sans quorum.

M. Danforth: C'est exact, et on ne peut siéger lorsqu'un vote est proposé.

M. Barrett: Il n'est pas question de vote. Autrement dit, nous avons des témoins ici et, brusquement il y a six personnes qui s'en vont et c'est la fin de la séance du comité.

M. Danforth: A moins d'avoir le quorum on ne peut pas voter.

M. Barrett: C'est exact, mais on peut continuer à entendre les témoins.

M. Danforth: Alors s'il n'y a pas quorum...

Le président: Puis-je avoir la parole?

M. Danforth: Je m'excuse, monsieur le président.

Le président: Nous avons une motion clairement déposée et appuyée et je pense qu'elle serait à adopter. Je ne pense pas que ni le comité, ni le président ni personne ne souhaitent que la discussion se poursuive ainsi, elle pourrait continuer indéfiniment. Je pense qu'il serait bon de laisser la motion de côté.

Je ne voudrais pas que l'on limite la discussion, mais je ne voudrais pas non plus que

[Texte]

it, but I would not want to limit discussion and I would not want to use the whole morning in discussion. I think there would be more productive ways of using our morning. If there is not reasonable disposition on part of the Committee to accept this kind of a motion at this time, which would permit us to hear evidence even though we do not have a quorum but would not permit us to take votes unless there was a quorum, then I think there probably should be a motion to withdraw.

• 0950

Mr. Whicher: May I ask one question, Mr. Chairman?

The Chairman: Mr. Whicher?

Mr. Whicher: Somebody asked where this originated. I seconded the motion but I would also like to know where it originated.

The Chairman: This is a new standing order. This is one of the new standing orders accepted by the House.

An hon. Member: Accepted by the House.

The Chairman: It came from the Committee on the Procedure of the House that studied the rules.

Mr. Gleave: Should the motion not be withdrawn, Mr. Chairman?

The Chairman: Mr. Lessard, would you agree to withdraw the motion?

Mr. Lefebvre: Mr. Chairman, if this is a ruling which has already been accepted by Parliament, what are we arguing about it for?

Mr. Horner: It is not a rule accepted by Parliament. It is a standing order accepted by Parliament. It is a provision.

The Chairman: It is not a rule.

Mr. Horner: If it was a rule there would be no motion necessary, Mr. Chairman. It is just a provision that a committee can adopt if it so desires.

The Chairman: I would think that that is true.

Mr. Lessard (Lac-St-Jean): I will withdraw the motion.

The Chairman: It is agreed that the motion as presented will be withdrawn.

[Interprétation]

l'on passe toute la matinée à discuter de cette question. Je pense qu'il y a une meilleure façon de passer la matinée. Si le comité est décidé à accepter ce genre de motion maintenant, cela nous permettrait d'entendre des témoignages, bien que nous n'ayons pas le quorum. Mais cela ne nous permettrait pas de voter, à moins qu'il y ait un quorum. Alors je pense que l'on pourrait retirer la motion.

M. Whicher: Puis-je poser une question, monsieur le président?

Le président: M. Whicher.

M. Whicher: Quelqu'un a demandé d'où cela venait. Eh bien! moi j'ai appuyé la motion, mais malgré tout, j'aimerais aussi savoir d'où cela vient.

Le président: C'est là un nouveau règlement permanent. C'est là un des nouveaux règlements permanents qui ont été adoptés par la Chambre, à la suite de l'étude du Comité de la procédure.

Une voix: Adopté par la Chambre?

Le président: Oui.

M. Gleave: La motion ne devrait-elle pas être retirée?

Le président: Monsieur Lessard, acceptez-vous de retirer la motion?

M. Lefebvre: Si c'est un règlement qui a déjà été approuvé par le Parlement, pourquoi alors discutons-nous?

M. Horner: Ce n'est pas un règlement approuvé par le Parlement. C'est un Règlement (Standing Order) approuvé par le Parlement. C'est une disposition.

Le président: Ce n'est pas un règlement.

M. Horner: Si c'était un règlement, une motion ne serait pas nécessaire, monsieur le président. Ce n'est qu'une disposition que le Comité peut adopter, si tel est son désir.

Le président: Je crois que tel est le cas.

M. Lessard (Lac-Saint-Jean): Alors, je retire ma motion.

Le président: D'accord donc, pour que la motion telle que présentée soit retirée? C'est

[Text]

Gentlemen, we are here to discuss a number of bills which have been referred to us. I will call Bill C-155 and, if I may, I will read the title:

An Act to provide compensation to farmers whose agricultural products are contaminated by pesticide residue, and to provide for appeals from compensation awards

The short title is the

Pesticide Residue Compensation Act.

I assume you will want to discuss the body of the bill before we approve the title, so I am sure it will meet with the approval of the Committee if we go on to Clause 2.

Clause 2 of the bill, of course, has to do with the definitions, and so on, but before we go into the various definitions that are listed in Clause 2 I would like to say that we are particularly happy to have the Minister of Agriculture present this morning, who is accompanied by the Deputy Minister and his staff. I will first ask the Deputy Minister to introduce those people who are present and then we will have a brief statement from the Minister. Mr. Williams, would you introduce the members of your staff who are present, please?

Mr. S. B. Williams (Deputy Minister of Agriculture): Thank you, Mr. Chairman. On my immediate right is Mr. C. R. Phillips, Director General of the Production and Marketing Branch. To his right is Mr. C. H. Jefferson, the Director of our Plant Products Division, Production and Marketing Branch. Beside him is Mr. Harvey Newman, the Departmental Legal Adviser, and beside him is Dr. D. S. MacLachlan, the Director of the Plant Protection Division of the Production and Marketing Branch. That is the group.

The Chairman: Thank you, Mr. Williams. I now have much pleasure in asking the Minister of Agriculture, the Honourable Mr. Olson, to make a brief statement.

Mr. H. A. Olson (Minister of Agriculture): Thank you, Mr. Chairman. Members of the Committee, I would first like to concur in the remarks of the Chairman that in this Committee meeting we are breaking some new ground. At least, it is the first trial of some of the new rules that involve the detailed consideration of legislation, and particularly the clause-by-clause study that up until now has taken place in the Committee of the Whole in the House of Commons.

[Interpretation]

d'accord. Bon, messieurs, nous sommes ici ce matin pour discuter un certain nombre de choses qui nous ont été transmises. Il y a le projet de loi C-155 et si je peux vous lire le premier article. Le titre:

Loi prévoyant l'indemnisation des cultivateurs dont les produits agricoles sont contaminés par les pesticides, et prévoyant des recours contre les décisions relatives à l'indemnisation.

Et le titre abrégé:

Loi sur l'indemnisation pour dommages causés par les pesticides.

Je pense que vous voulez discuter du fond du projet de la loi avant d'approuver le titre. Donc, nous allons passer directement à l'article 2. Le deuxième titre porte sur un certain nombre de définitions et avant d'entrer dans ces définitions énumérées à l'article 2, je dois vous dire que nous sommes très heureux d'avoir parmi nous ce matin, le ministre de l'Agriculture, accompagné du sous-ministre et de ses collaborateurs. Et, je pense que je vais d'abord demander au sous-ministre de présenter ceux qui l'accompagnent et ensuite nous entendrons une brève déclaration du ministre.

Monsieur Williams, voulez-vous présenter vos collaborateurs, s'il vous plaît?

M. S. B. Williams (sous-ministre de l'Agriculture): Je vous remercie, monsieur le président. À côté de moi, j'ai M. C. R. Phillips, qui est directeur général de la production et des marchés; à sa droite, M. C. H. Jefferson, qui est directeur de la Division des produits végétaux, section de la production et des marchés; puis à côté de lui, M. Harvey Newman, conseiller juridique du ministère et à côté de lui, M. MacLachlan, directeur de la Division de la protection des végétaux, section de la production et des marchés. Voilà.

Le président: Je vous remercie, monsieur Williams. Maintenant, j'ai le grand plaisir de demander l'honorable M. Olson, ministre de l'Agriculture, de vous dire quelques mots.

L'hon. M. Olson: Je vous remercie, monsieur le président. Messieurs les membres du Comité, je voudrais, pour commencer, m'associer aux remarques du président selon lesquelles nous sommes ici en train de défricher un terrain nouveau. C'est du moins le premier essai des nouvelles règles de procédure ayant trait à l'étude, article par article, d'une législation.

[Texte]

I am very conscious of the importance to the government—and in this case to the Department of Agriculture—of this change and as far as I am concerned that importance attaches with it a great deal of responsibility on our part to be as helpful as we can in the Committee. Indeed, my attitude is that this is an extension, if you like, of the Committee of the Whole and it is my hope and, indeed, my intention that we shall give it at least equal consideration.

• 0955

For example, I hope it will be possible for me to attend all of the meetings of this standing committee while the legislation is being considered. I hope you will also appreciate, however, that for example, this morning there is a Cabinet meeting and, indeed, there will also be one on Thursday morning. I have arranged to be here today for the entire Committee meeting. However, there may be times when it will be necessary for me to go to the Cabinet meeting. Nevertheless, I hope that while legislation is before the Agriculture Committee that it will be possible for me to be excused from those Cabinet meetings so that I can be here during all the time these meetings are on.

I presume that we will have to play it by ear, Mr. Chairman, for the first few meetings, and if some problems arise respecting procedure in so far as what has been the traditional procedure in the Standing Committee as contrasted with the procedure that has taken place in the Committee of the Whole, that all of us in a spirit of goodwill, will be able to resolve those procedural problems. No doubt with this change there are going to be some new and perhaps different procedures that will have to be taken into consideration.

Mr. Chairman, with those brief remarks as to the new procedure, I really do not see any useful purpose in my going over the explanation that I made in the House of Commons at the second reading stage because it is well known and, indeed, it is printed in *Hansard*, when I briefly outlined the purpose of the bill. It is to provide for compensation to farmers whose agricultural products have been contaminated by pesticide residue. I think members will also realize that it is intended that this compensation will be paid primarily and perhaps only in cases where the Food and Drug Directorate have condemned and therefore prohibited from sale the products of a particular farm or farmer.

[Interprétation]

Je suis très conscient de l'importance que ce changement représente pour le gouvernement, et dans ce cas-ci, pour le ministère de l'Agriculture; pour ma part, à cette importance s'ajoute la très grande responsabilité de faire en sorte que notre action soit aussi utile que possible au sein de ce Comité. Personnellement, je crois que c'est là en quelque sorte le prolongement des activités du Comité plénier et nous espérons, en fait, nous avons l'intention de lui donner toute notre attention.

Par exemple, je vais chercher, dans la mesure du possible, à assister à toutes les réunions du Comité pendant que l'on étudiera ce projet de loi. Bien sûr, vous vous rendrez compte, par exemple, ce matin il y a une réunion du Cabinet, il y en aura une autre également jeudi matin; je me suis arrangé pour être ici aujourd'hui pour l'ensemble de votre séance. Néanmoins, il est possible que je doive, à un moment ou à un autre, me rendre à la réunion du Cabinet. Toutefois, j'espère que tant que le projet de loi sera à l'étude au comité de l'Agriculture, il me sera possible de ne pas assister aux réunions du Cabinet, pour participer à vos travaux.

Je présume que nous allons procéder de façon empirique, un peu, monsieur le président, au cours des premières réunions. Nous allons laisser voir venir les choses et s'il y a des problèmes de procédure qui se posent par rapport à ce qui se faisait traditionnellement au Comité dans le cadre de la procédure du Comité plénier, nous tous, dans un esprit de bonne volonté, allons résoudre ces problèmes de procédure. Sans aucun doute, ces modifications vont entraîner les débats assez différents et nouveaux dont il faudra tenir compte.

Monsieur le président, après ces quelques remarques au sujet de la nouvelle procédure, je ne crois pas qu'il soit vraiment utile pour moi de donner quelques explications supplémentaires en dehors de celles que j'avais données à la Chambre des communes lors de la deuxième lecture. Ce sont là des remarques très connues qui sont consignées au *hansard* déjà. J'y ai indiqué l'objectif de ce projet de loi, qui a pour but de fournir une indemnisation aux agriculteurs dont les produits agricoles ont été contaminés par des produits pesticides. Les membres se rendent compte évidemment que ces indemnités, ou du moins ces offres d'indemnités, ne seront payées que lorsque la direction de la Division des aliments et drogues a condamné et a interdit la vente de ces produits donnés aux agriculteurs.

[Text]

There is also a provision in Bill C-155 for a farmer to appeal the Minister's decision as to what is just compensation for the damage that was done to him in having his products prohibited from sale. Mr. Chairman, I do not think it would be useful to the Committee if I were to take the time to go through the explanation that I gave in the House at second reading.

There is one other point I would like to make, although it does not perhaps particularly relate to this bill. This is in respect to the undertaking I gave to the House that I would refer the annual report of the Farm Credit Corporation to this Committee after the main estimates of 1968-69 were passed. It is my understanding that the Committee had an opportunity for approximately three hours, give or take a few minutes, to examine the officials of the Farm Credit Corporation when their bill was before you, and it involved a somewhat wider scope than simply what was in the bill. I have no objection to that.

Also, the Farm Machinery Syndicates will be coming back to this Committee. Indeed, it has already been referred to the Committee, and if the members think that that is sufficient, then I would like to know. I do not want to renege on the commitment that I made to refer the annual report so that you can go into it on that term of reference, or if the Farm Machinery Syndicates' bill which this Committee will be studying soon would in fact provide an adequate opportunity for members to examine the officials of the FCC. Perhaps that is something we could think about between now and the time that Bill C-112 will be brought up, and if the Committee would like to have a reference from the House I will try to arrange for that.

Mr. Chairman, getting back to Bill C-155, we are now on Clause 2, which is the interpretation clause. I do not know if you wish to begin by going through this by way of questions or whether you would like to have our legal adviser, Mr. Newman, deal with each one of the terms that are defined in Clause 2. We are prepared to proceed in any way that you, Mr. Chairman, and the Committee would like.

• 1000

The Chairman: Thank you, Mr. Minister. We are grateful, of course, to you for gracing our meeting this morning and we are encouraged by the fact that you intend to attend as many meetings as humanly possible. I think we recognize that Mr. Newman is

[Interpretation]

Il y a également une clause dans ce projet de loi C-155 permettant à un agriculteur d'appeler de la décision du ministre afin d'obtenir ce qu'il appelle une indemnité équitable en compensation des dommages encourus par suite de l'interdiction mise sur la vente de ses produits. Alors, maintenant, monsieur le président, je ne pense pas qu'il soit utile pour le Comité que je donne des explications supplémentaires à ce que j'ai dit lors de la deuxième lecture à la Chambre.

Je voudrais simplement ajouter quelque chose qui, vous m'excuserez, n'a pas directement trait au projet de loi lui-même. Cela porte sur l'engagement que j'avais pris devant la Chambre de renvoyer le rapport annuel de la Société de crédit agricole devant le Comité, après l'étude des prévisions budgétaires de 1968-1969. Je crois comprendre que le Comité a déjà eu l'occasion pendant trois heures environ, à quelques minutes près, d'étudier le rapport de la Société du crédit agricole quand il y a eu le projet de loi de cette Société qui vous a été soumis et, bien sûr, je n'ai aucune objection à ce genre de choses.

Puis, il y aura les Syndicats des machines agricoles qui vont revenir à ce Comité. Il a déjà été soumis à ce Comité d'ailleurs et si les membres pensent que cela suffit, alors, j'aimerais le savoir, je ne voudrais pas donner l'impression de ne pas tenir l'engagement que j'ai pris, qui était de vous soumettre le rapport annuel pour que vous puissiez l'étudier officiellement ou si l'étude du bill des Syndicats des machines agricoles, à laquelle ce Comité procédera bientôt, vous donnait l'occasion d'interroger les représentants de la Société du crédit agricole. Mais nous aurons le temps d'y penser d'ici à ce que le projet C-112 vous soit présenté et si le Comité désire avoir une recommandation de la Chambre, je verrai à vous faciliter les choses.

Maintenant, monsieur le président, pour en revenir au bill C-155, nous passons à l'article 2 qui est l'interprétation. Je me demande si vous voulez l'étudier par voie des questions posées ou si vous préférez que notre conseiller juridique (M. Newman) traite chacune des expressions définies à l'article 2. Nous sommes à votre disposition, monsieur le président.

Le président: Je vous remercie, monsieur le ministre. Nous vous sommes très reconnaissants d'avoir assisté à notre réunion ce matin. Nous sommes encouragés par le fait que vous avez l'intention d'assister à autant de réunions que possible. Étant donné la présence

[Texte]

here and he will explain any of the definitions if it is necessary. I think probably you might expect me to hold you rather close to the clause, and if we go down each definition item by item and there are no questions, then of course Mr. Newman is going to get off easily. If there are some questions concerning any particular definition, then of course we will ask for clarification. Does that meet with the general approval of the Committee.

M. Clermont: Monsieur le président, avant de passer à l'article 2, pourrais-je faire une suggestion? Lorsque le secrétaire du Comité nous convoque à une réunion, lui serait-il possible d'indiquer, sur cet avis de convocation, le projet de loi que le Comité aura à étudier à telle date? Étant donné que plusieurs bills sont renvoyés à ce Comité, il serait très important que les députés connaissent à l'avance ceux qu'ils auront à étudier à telle date.

The Chairman: Yes, that would be quite possible. Actually, we propose to deal with the bills in the order that they were referred. Bill C-155, C-154, C-156, C-157 and then the Farm Machinery Syndicates Credit Bill. What bill will come up at each meeting will depend on how far we get in any particular day. I do not think it would be impossible to put on the notice the bill that will be before us at the next sitting.

Mr. Clermont: Thank you.

The Chairman: Are there any questions concerning any of the definitions in Clause 2? Mr. Horner (Crowfoot).

Mr. Horner: I have a question or two on Clause 2, but before we proceed, Mr. Chairman, because we are breaking new ground, I wonder if you would just clarify the exact position. A second reading has been taken out of the House. Previous to this new procedure, under second reading of a bill the whole bill was discussed and then gone into a clause-by-clause study. You are attempting here to go into a clause-by-clause study immediately. Is this going to become established practice, or is everyone finished speaking on the general principle that would be included in the second reading of the bill?

The Chairman: I am subject to correction by the Committee, but it would seem to me that we did have an opportunity for general comment on the bill in the House and the main reference to our Committee is that we would start to study the details of it clause by clause, and so on. This does not preclude...

[Interprétation]

de M. Newman, il pourra expliquer les définitions en cas de besoin. Vous devez vous attendre à ce que je vous tienne passablement près de l'article en cause. Si nous prenons chaque article de l'interprétation et s'il n'y a pas de questions, M. Newman s'en tirera alors facilement. S'il y avait toutefois des questions en ce qui concerne une définition, nous pourrions demander des explications. Êtes-vous d'accord?

Mr. Clermont: Mr. Chairman, before we move on to Clause 2, could I make a suggestion? When we are called to attend a meeting by the Clerk of the Committee, would it be possible for him to put on the Notice of Meeting the bill which the Committee is to consider on that particular date? As several bills are referred to the Committee, it would be very important for members to know ahead of time just what bill they will have to consider on a specific date.

Le président: Oui, ce serait possible. Nous avons l'intention d'étudier les bills dans l'ordre où ils ont été déferés: Bill C-155, C-154, C-156, C-157 et, ensuite, le bill sur le crédit accordé aux syndicats de machines agricoles. Tout dépendra du progrès que nous pourrions faire telle ou telle journée. Je crois qu'il serait possible de vous dire quel bill nous étudierons lors de la prochaine réunion.

M. Clermont: Merci.

Le président: Y a-t-il des questions au sujet de l'article 2? Monsieur Horner (Crowfoot).

M. Horner: J'ai une question au sujet de l'article 2. Avant de continuer, monsieur le président, étant donné ce nouveau Règlement, je me demande si vous pourriez clarifier la situation. On a enlevé à la Chambre la deuxième lecture d'un bill. Avant cette nouvelle procédure, à l'étape de la deuxième lecture d'un bill, on discutait tout le projet de loi et ensuite on l'étudiait article par article. Ici, vous essayez d'étudier immédiatement le bill article par article. Est-ce là une habitude que nous allons suivre ou est-ce qu'on a fini de parler du principe général qui serait inclus dans la deuxième lecture du bill?

Le président: Si je ne me trompe pas, il me semble que nous avons eu l'occasion de formuler nos commentaires généraux sur le bill à la Chambre même. Notre Comité devrait étudier les détails du bill, article par article.

[Text]

Mr. Horner: I have no objection to that; I just wanted to know whether you were establishing a pattern or what was the situation.

The Chairman: I think there is general willingness to facilitate the needs of the Committee in their consideration of the bill. There is no particular rush. I think the only concern in approving these bills that are before us at the moment would be the time the benefits might be made available to farmers who are out in the areas. I think that is the only overriding pressure.

Mr. Horner: One further question on the proceedings, Mr. Chairman. Is the Committee going to be able to call witnesses, to examine...

• 1005

The Chairman: I think the Minister might wish to comment on that.

Mr. Olson: May I comment on the first question that was asked, Mr. Chairman. There is a substantial difference now with this bill before us after having passed second reading because, as I understand it in the House, second reading is no longer the same as it was, that is, adoption in principle of the bill. You would then be somewhat handicapped in the detailed discussion and the amendments, and so on, on the basis that the principle had already been adopted and that anything that would violate that principle was therefore unacceptable. We are not in that position. Second reading is more of an information debate—if that is the right word, and perhaps it is not—but I would hope that members would regard this standing committee meeting as essentially the same as the Committee of the Whole on the floor of the House was in so far as this phase of the procedure is concerned.

As far as I can tell there would not be an absolute—if you want to call it that—prohibition against calling outside witnesses but I think we should approach that rather cautiously because in each bill that is referred it is pretty specific that this is the matter. It is not an investigatory committee hearing; it is a detailed study of the bill, and therefore as I understand it the terms of reference are not quite the same as if a subject matter for investigation were referred to the Committee and where outside witnesses of course would be, and usually are, called. This is a matter for the members of the Committee to do essentially the same kind of examination and I would hope under essentially the same kind of conditions as in the Committee of the Whole.

[Interpretation]

M. Horner: Je n'y vois pas d'objection, mais je me demandais si vous vouliez tout simplement créer un précédent ou quelle était la situation.

Le président: Je crois que nous sommes prêts à faciliter l'étude du bill en Comité. Rien ne presse. Le seul problème dans l'étude de ces bills, c'est la question du moment où les avantages pourront être accessibles aux cultivateurs qui sont dans les régions. C'est là la seule pression.

M. Horner: Quant à la procédure, monsieur le président, le Comité pourra-t-il convoquer des témoins?

Le président: Le ministre pourrait peut-être vous répondre.

L'hon. M. Olson: Puis-je vous dire, monsieur le président, qu'il y a une différence très marquée avec ce bill qui est devant nous et qui a été adopté en deuxième lecture, car la deuxième lecture n'implique plus l'adoption en principe du bill. Autrement nous serions quelque peu handicapés quant à l'étude détaillée ou à l'adoption d'amendements, car notre étude devrait respecter les cadres du principe. Nous ne sommes pas dans cette situation. La deuxième lecture est plutôt une discussion d'information, si c'est l'expression juste. J'espère toutefois que les députés estimeront que la réunion de ce comité permanent est essentiellement la même chose que le comité plénier de la Chambre des communes était à cet étape précis de la procédure.

D'après moi, il n'y aurait pas d'interdiction absolue à la convocation de témoins de l'extérieur, mais je crois que nous devrions peut-être y prendre garde, car chaque bill qui est déposé à un comité est plutôt précis. Il ne s'agit pas d'un comité d'enquête; il s'agit plutôt de l'étude détaillée du bill et, par conséquent, si j'ai bien compris, le mandat n'est pas tout à fait le même que si le comité avait été saisi d'un sujet à étudier, alors qu'on aurait pu convoquer des témoins de l'extérieur, comme on le fait d'habitude.

Les membres du Comité vont faire un examen du même genre et, j'espère, dans les mêmes conditions que si nous avions été en comité plénier.

[Texte]

Mr. Horner: Just on this point, Mr. Chairman; we are not exactly in the same position as the Committee of the Whole. For example, in the Committee of the Whole every member can participate and can vote. On the clause-by-clause study here only Committee members can vote. We are not in exactly the same position at all. While it may have some disadvantages, we should also take advantage of the advantages that a committee would lend itself to the passage of a bill.

For example, witnesses cannot be called in the Committee of the Whole but they can in a committee. This is why I wanted this question cleared up. Can we do this if the Committee so desires? I know of two or three very, very important problems that have arisen in Canada because of the use of pesticides. Can we call witnesses from these areas and hear their side of the story before we pass legislation? In other words, are we going to pass the legislation with our eyes open or with them closed? I want the Chairman to clear up this point. Can we call witnesses?

The Chairman: Would it not seem reasonable that this Committee is able to direct itself, and if we come to a point where we need further information, and by the calling of a witness it might provide some additional clarification and information, then I would think that it is quite possible for the Committee to agree that it might be advisable to call a certain witness. I think that is...

Mr. Horner: Mr. Chairman, bearing in mind that if you are going to call witnesses you have to give them notice of a day or two. You cannot just bring them in at the wave of your finger. They may be in British Columbia or they may be down in Southern Ontario, and we have to give this matter a little bit of forethought and planning so that we can approach these people and ask them to come before the Committee, if we feel they can lend some knowledge to the application of this legislation.

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Mr. Olson: Mr. Chairman, I do not see any prohibition in the standing orders against this or any other standing committee calling outside witnesses. However, I would like to draw to the attention of the Committee again the fact that this procedure that we are now involved in is somewhat different—in my view at least—than the matter of an ordinary reference to a committee of a subject matter to investigate. Under those conditions I think it is normal, and it has been the practice, to call outside witnesses for the purpose of get-

[Interprétation]

M. Horner: Quant à ce point, monsieur le président, nous ne sommes pas tout à fait dans la même situation que le comité plénier. Par exemple, au comité plénier, tous les députés peuvent participer et peuvent voter. Ici, seulement les membres du Comité peuvent voter sur l'étude article par article. Nous ne sommes pas du tout dans la même situation. Bien qu'il y ait peut-être des désavantages, nous devrions profiter des avantages du fait qu'un comité est propice à l'adoption d'un bill.

Au comité plénier, on ne peut pas convoquer de témoins, mais, à notre comité, on peut le faire. C'est pourquoi je demande une explication. Je connais deux ou trois problèmes importants qui ont surgi au Canada en raison de l'emploi de pesticides. Pourrions-nous alors convoquer des témoins de ces secteurs et entendre ce qu'ils ont à dire avant d'adopter la mesure? En d'autres termes, allons-nous adopter la mesure avec les yeux fermés ou avec les yeux ouverts? Monsieur le président, pouvons-nous convoquer des témoins?

Le président: Le Comité devrait se diriger lui-même. Si nous arrivons au point où il nous faut des renseignements supplémentaires et si la convocation de témoins peut nous éclairer davantage et nous donner des renseignements supplémentaires, j'ai nettement l'impression que le comité serait d'accord sur la nécessité de convoquer certains témoins.

M. Horner: Monsieur le président, il faut tenir compte du fait que si nous convoquons les témoins, il faut leur donner un préavis d'un jour ou deux. On ne peut pas tout simplement les convoquer et s'attendre à ce qu'ils y soient immédiatement. Ils peuvent être en Colombie-Britannique ou dans le sud de l'Ontario. Il faut y penser d'avance, si on veut demander à ces gens de comparaître devant le comité et nous informer.

L'hon. M. Olson: Je ne vois pas d'empêchements dans le Règlement pour ce comité ou un autre comité de convoquer des témoins. Toutefois, j'aimerais bien porter à l'attention du comité, encore une fois, que la procédure que nous suivons à l'heure actuelle est quelque peu différente, à mon sens, de celle qui serait suivie pour un sujet déferé à un comité pour fins d'enquête. Dans ces conditions, il serait normal, comme c'est la pratique, de convoquer des témoins pour obtenir leurs opinions, et leur avis sur un sujet déferé à un

[Text]

ting their opinions and their expertise on a certain subject matter that was referred to the Committee specifically for investigation. This situation is somewhat different in that we are here as legislators to consider and hopefully pass a bill that has been referred by the House to this Committee. As I said, I do not see any absolute prohibition but I would caution members not to confuse the two procedures.

Mr. Horner: On that very point, Mr. Chairman, I am not confusing the two procedures. In the past bills were sent to committee and witnesses were called. If you are going to try to differentiate between this bill and some other bill, or this type of committee meeting and previous committee meetings, all I am asking is can we call witnesses? I am under the impression that if the Committee so desires it could. It has in the past. I believe it now has the power, and the Minister is attempting to put this bill in another category. It is not an investigation. It certainly should be an investigation. We should examine very, very closely the application of pesticides in general because it is a big and important subject. It will become more important as the years progress.

Mr. Olson: Mr. Chairman, I do not wish to disagree with that. I think there should be some understanding of the difference between an investigation—if you want to call it that—and legislators legislating. Under the new rules, as the hon. members know, along with the second reading of every bill, unless an exception is taken, there goes along with the motion that it be referred to a standing committee, and this is the process that used to take place in the Committee of the Whole.

Mr. Horner: But in the past in committees we could call witnesses. For example, right off the top of my head I can think of the Transportation Committee. The railway legislation was before that Committee and we must have heard a dozen witnesses in any case.

Mr. Olson: I am not disagreeing with you at all.

Mr. Barrett: He has agreed with you three times. How many times do you have to be told, John!

The Chairman: Order, gentlemen. Will you please address the Chair. Mr. Gleave had a question.

[Interpretation]

comité pour fins d'enquête. La situation est un peu différente, parce que nous sommes ici à titre de législateurs, afin d'étudier et, nous l'espérons, d'adopter un projet de loi qui nous a été déferé par la Chambre.

Comme je l'ai dit, je n'y vois pas d'interdiction absolue, mais je vous mettrais en garde toutefois de ne pas confondre les deux procédures.

M. Horner: A ce sujet, monsieur le président, il n'y a pas de confusion entre les deux, à mon sens. Dans le passé, on déferait les bills aux comités et on convoquait les témoins. Alors, si vous voulez établir une distinction entre ce bill et un autre bill, ou ce genre de séance de comité et les séances des comités antérieurs, tout ce que je demande c'est: «Avons-nous le pouvoir de convoquer des témoins?» J'avais l'impression que le comité pouvait le faire s'il le désirait. Il l'a fait dans le passé. Je crois qu'il a toujours ce pouvoir et le ministre essaie de placer ce bill dans une autre catégorie. Il ne s'agit pas d'une enquête, mais cela devrait faire l'objet d'une enquête. Nous devrions examiner très attentivement l'application des pesticides en général, car c'est un sujet extrêmement important et il le deviendra de plus en plus au cours des années à venir.

L'hon. M. Olson: Monsieur le président, je ne veux pas être en désaccord avec cela. Je crois que nous devrions peut-être comprendre un peu quelle est la distinction entre une enquête, si vous voulez la qualifier ainsi, et les mesures de lois à adopter en vertu du nouveau règlement, comme les députés le savent, en même temps que la deuxième lecture d'un bill, à moins qu'on s'y oppose. En même temps, il y a une motion à l'effet que le projet de loi soit déferé à un comité permanent, et c'est ce qu'on faisait autrefois au comité plénier.

M. Horner: Oui, mais les comités, dans le passé, avaient le droit de convoquer les témoins. Par exemple, je songe immédiatement au Comité des transports. Avant l'adoption de la mesure sur le transport ferroviaire, nous avons entendu au moins une douzaine de témoins.

L'hon. M. Olson: Je ne suis pas en désaccord. Pas du tout.

M. Barrett: Il a été d'accord deux ou trois fois. Combien de fois faut-il qu'on vous le dise, John?

Le président: A l'ordre, messieurs. Veuillez vous adresser au président. M. Gleave avait une question à poser.

[Texte]

Mr. Gleave: No, I really wanted to make an observation on the topic that is under discussion. It seems to me that our responsibility here is to report out the particular items that are referred to us. In order to report them out, if the information that is offered to us by the people who are present is not sufficient to make an intelligent or a comprehensive decision, I think we should then be in a position to ask the Chairman to call someone before the Committee who can give us the information which we need in order to make an intelligent decision. Because of the fact that once we report this Bill out to the House we are responsible, I think we should be able to say to the House that in our opinion this Bill is in good order and we can recommend it. Actually, when it goes out of this Committee we are recommending that it be accepted as a piece of legislation. Therefore I think as a Committee we must reserve the right to call or to ask for further information when we think it is necessary. That is my attitude toward it, Mr. Chairman.

• 1015

The Chairman: I do not think there is any question about our ability to call witnesses if the Committee so chooses. Would it seem reasonable to go on with our discussion of the bill and when we come to a point where we think we should call witnesses, we will then make that decision. Is that not reasonable?

Mr. Pringle: I would like to ask one question.

The Chairman: Mr. Pringle (Fraser Valley East).

Mr. Pringle: There seems to be some doubt as to the terms of reference of the Committee as it is established at the present time in relation to the usual terms of reference which have supported standing committees in the past. I wonder if there would be any merit in our recommending that the Steering Committee meet as soon as possible and delve into the terms of reference at some length as they should apply or might apply now and bring back some recommendations, because we could have a discussion with regard to terms of reference every time we meet as new points arise. If we could do some work on our new terms of reference, is there any merit in our recommending this and arranging for that meeting so that they can report back, and then we could carry on with our business.

[Interprétation]

M. Gleave: Ce que je voulais faire, c'est surtout formuler un commentaire à ce sujet. Il me semble que notre responsabilité, ici, est de faire rapport des sujets qu'on nous défère. Et par conséquent, afin de faire rapport, si les renseignements que nous avons de la part de ceux qui sont ici, ne sont pas suffisants pour que nous en arrivions à une décision raisonnable, je crois que nous devrions alors être en mesure de demander au président de convoquer devant le comité, une personne qui pourrait nous donner les renseignements nécessaires pour en arriver à une décision intelligente. Et parce que nous sommes responsables, une fois que nous aurons fait rapport de ce bill à la Chambre, je crois que nous devrions être capables de dire à la Chambre que le bill, à notre sens, est en bon ordre et que nous pouvons le recommander. En fait, quand le bill quitte notre comité, nous recommandons qu'il soit adopté en tant que mesure législative. Par conséquent, je crois que nous devrions nous réserver, en tant que comité, le droit de convoquer des témoins ou de demander des renseignements supplémentaires lorsque nous le jugeons nécessaire. C'est l'attitude que j'adopte à ce sujet, monsieur le président.

Le président: Je ne crois pas qu'il y ait de doutes quant à nos pouvoirs de convoquer des témoins si le comité le décide. Serait-il raisonnable de poursuivre notre discussion du bill, et si nous arrivons à un point où il nous faut convoquer des témoins, nous prendrons la décision à ce moment-là.

M. Pringle: J'aimerais poser une question.

Le président: M. Pringle (Fraser Valley East).

M. Pringle: Il y a peut-être certains doutes qui planent au sujet du mandat du Comité tel que présentement établi en rapport avec le mandat traditionnel des comités permanents dans le passé. Je me demande alors s'il serait bon que nous recommandions que le sous-comité se réunisse le plus tôt possible pour étudier à fond le mandat tel qu'il doit s'appliquer ou qu'il s'applique à l'heure actuelle, et ensuite nous formuler des recommandations. Nous ne pourrions discuter le mandat à chaque réunion, au fur et à mesure qu'on soulève de nouveaux points. Alors, si nous pouvions examiner notre nouveau mandat, est-ce qu'il serait bon de recommander une telle séance afin que le sous-comité nous fasse rapport, et nous pourrions alors continuer notre travail.

[Text]

The Chairman: Mr. Barrett.

Mr. Barrett: Mr. Chairman, I would suggest that what we have been saying up until now is rather redundant. There seems to be an aura of suspicion here that we have something under the rug. There is nothing under the rug. Let me propose that we go along paragraph by paragraph, as you suggest, and when we come to an impasse we will then clear the air, but for goodness' sake let us go on. It is now 10.15 a.m. and absolutely zero has been accomplished.

An hon. Member: We are breaking new ground.

Mr. Barrett: I grant you that we are breaking new ground, but when we come to this new ground and we have a problem, let us discuss the problem when it arises. Let us not suspect that there is something erroneous and terrible about it.

The Chairman: The Committee probably feels the tenseness of pioneering in this particular field. I think probably the best way to get rid of this tenseness and to indicate that we are here to study the bill as a committee in order to make what improvements can be made and to give it the kind of consideration to which it is entitled would be to go on, and when we come to something that we are wondering about we can then take a little time and discuss it and together we will arrive at the best course of action. Are we agreed?

Mr. Korchinski: Mr. Chairman, I have something that is bothering me right now. I think it is understandable that we should spend a little time in view of the fact...

The Chairman: Does it come under Clause 2?

Mr. Korchinski: This is the very point that I want to raise. It is understandable there should be some doubt in our minds as to what factors or what procedure may be followed in the future and we have to plan our action accordingly. I know that in the past there has been some general discussion in the House and perhaps the very fact that we were helpful in trying to get the bill into Committee may have been one of the factors in not deciding how long we would spend in the House on the second reading. By way of a suggestion—and I wonder if it has any merit or not, and not necessarily at this particular stage because I have no comments to make on rule No. 1—perhaps for the future we should consider that we should always open up a bill with a general discussion on rule No. 1 but

[Interpretation]

Le président: Monsieur Barrett.

M. Barrett: Monsieur le président, tout cela est superflu. Il me semble que certains députés suggèrent qu'il y a quelque chose de louche. Il n'y a rien de louche. Et alors, poursuivons notre étude article par article, tel que vous le proposez et lorsque nous arriverons à une impasse, décidons à ce moment-là. Mais du moins, continuons notre travail. Il est maintenant dix heures et quinze et nous n'avons rien de fait.

Une voix: C'est un terrain nouveau.

M. Barrett: Oui, d'accord, mais quand il y aura un problème à soulever, réglons-le à ce moment-là. N'allons pas soupçonner que la chose est fausse et terrible.

Le président: Je crois que le comité est peut-être très conscient qu'il défriche un nouveau terrain dans ce domaine. Je vois que la meilleure façon, peut-être, d'éliminer cette tension et d'indiquer que nous sommes ici pour étudier le bill en tant que comité, l'améliorer au besoin et lui donner toute l'attention qu'il mérite; la meilleure façon de le faire serait justement de continuer notre étude et lorsque nous aurons des questions à poser, nous pourrions prendre un peu de temps pour discuter ensemble et arriver à la meilleure procédure à suivre. Sommes-nous d'accord?

M. Korchinski: Monsieur le président, j'ai quelque chose qui me préoccupe à l'heure actuelle. Je crois qu'il est raisonnable que nous passions quelque temps vue que...

Le président: S'agit-il de l'article 2?

M. Korchinski: C'est exactement la question que je veux soulever. Il est facile de comprendre qu'il puisse y avoir des doutes dans notre esprit quant à la procédure à suivre à l'avenir car il faut absolument que nous agissions en conséquence. Je sais que dans le passé il y a eu une certaine discussion générale à la Chambre, et peut-être que le fait que nous avons été consentants à déférer le bill au Comité amoindrit le temps que nous y aurions consacré à la deuxième lecture en Chambre. A titre de suggestion, et je me demande si elle a du mérite, et pas nécessairement à cette étape-ci, parce que je n'ai aucun commentaire à faire à propos du règlement n° 1, mais je me demande si pour l'avenir nous ne devrions pas commencer l'étude d'un bill par une discussion générale du

[Texte]

not necessarily pass it and leave it open. On this occasion, if the Committee so wishes, you might invite witnesses and again, as I say, have a general discussion on the whole subject of the bill and then leave it without a formal vote until the end, after you have discussed it clause by clause. That would also give you an opportunity at a later date, if you felt you wanted to hear witnesses, to give the witnesses an opportunity to come back to No. 1 and have the witnesses appear under No. 1. I am suggesting this for our consideration. Perhaps this might be a way of getting the witnesses. We will have a place where we can formally say that this is where the witnesses will be called, and perhaps there will be some sort of order in the system.

The Chairman: I think I detect that what the members of the Committee are really missing is the opportunity at the outset to say, "This is a great thing. It should have been done 20 years ago, but it was not done", and so on, or to say, "It is terrible and we propose to oppose it", and whatever else. I think what you are really missing is the opportunity to make this general kind of comment. Perhaps it is a good thing to make some provision for that kind of general observation. Do we agree that on this particular bill we will go along this way and when we come to the next bill, if it seems that we have missed that type of opportunity, then I think we could agree that we should probably consider some opening comments when we introduce the bill before the Committee.

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Mr. Pringle: I would like to go back to my original suggestion a minute ago, which we did not discuss. It seems to me that we will have a continuing problem with terms of reference unless we do something about it at the outset. Could the steering committee not meet and spend some considerable time on terms of reference and then, if necessary, have a meeting to discuss terms of reference and then continue on, even if we have to make some minor changes. I can foresee, by virtue of the fact that it is a new arrangement, our spending a considerable amount of time in just discussing these very terms of reference.

The Chairman: I should read Clause 75 under the new Standing Orders which is as follows:

75. (1) In proceedings in any committee of the House upon bills, the preamble is first postponed, and if the first clause contains only a short title it is also postponed; then every other clause is consid-

[Interprétation]

règlement n° 1 sans adopter un article précis. Et maintenant, si le comité le désire, et encore une fois comme je l'ai dit, nous pourrions peut-être avoir une discussion générale sur le sujet ou la teneur du bill et ensuite laisser l'adoption de l'article 1^{er} jusqu'à la fin après que nous aurions discuté tous les autres articles. Cela nous donnerait une chance plus tard, si nous étions d'accord que nous voulions convoquer des témoins, de leur donner une chance de revenir à l'article 1^{er} et nous pourrions les convoquer en vertu du règlement n° 1. C'est une suggestion que je vous propose. Ce serait peut-être un moyen d'obtenir des témoins. Nous aurons un endroit où nous pourrions formellement dire que des témoins seront convoqués et peut-être avoir un peu d'ordre dans le système.

Le président: J'ai l'impression que les membres du Comité manquent l'occasion de dire dès les débuts: «C'est une bonne chose et c'est ce qu'on aurait dû faire il y a 20 ans, mais ça n'a pas été fait», et ainsi de suite, ou dire par contre: «C'est affreux et nous nous y opposons». Je crois que ce qui vous manque à l'heure actuelle, c'est l'occasion de pouvoir formuler des commentaires généraux de cette nature. Sommes-nous d'accord que pour le bill devant nous, nous procédions de cette façon-ci, et ensuite quand nous étudierons le prochain bill, s'il nous semble que nous avons manqué ce genre d'occasion, je crois que nous pourrions peut-être être d'accord et prévoir la possibilité de formuler des commentaires préliminaires lorsque le bill est présenté au Comité.

M. Pringle: J'aimerais revenir à ma suggestion originale. Il me semble que nous aurons continuellement des problèmes au sujet du mandat si nous n'y voyons pas au début. Est-ce que le sous-comité directeur ne pourrait pas se réunir et consacrer un certain temps au mandat et ensuite, au besoin, consacrer une réunion complète pour la discussion de notre mandat, même s'il nous faut faire de légers changements. J'ai l'impression que nous allons passer beaucoup de temps à discuter de notre mandat en raison du fait que la procédure est nouvelle.

Le président: Je devrais peut-être vous donner lecture de l'article 75, en vertu du nouveau règlement.

L'article 75 dans les procédures en comité sur un projet de loi:

75. (1) Lors de l'étude de bills par un comité de la Chambre, on reporte d'abord à plus tard l'étude du préambule puis

[Text]

ered by the committee in its proper order; the first clause (if it contains only a short title), the preamble and the title are to be last considered.

[Interpretation]

celle du premier article si celui-ci ne vise que le titre abrégé; le comité étudie ensuite chacun des autres articles dans l'ordre, puis en dernier lieu le premier article (s'il ne vise que le titre abrégé), le préambule et le titre.

I think probably if we consider this to be a directive that we are proceeding in the right way. When we come back to Clause 1 and the title then, of course, there should probably be an opportunity for some general observations.

With regard to Mr. Pringle's committee, I am not sure but I think that is our term of reference at the moment. I think in the event that a particular situation arose as to whether we should call witness such and such or not, then I think the steering committee should meet and make a general recommendation to the Committee as a whole.

Mr. Korchinski: That is the very point. That does not make provision for any witness and we have to take that into account. Somewhere along the line we have to decide on this. For example, is it proper for a witness to appear on No. 2 or No. 3, or any part of the clauses no matter what the number is.

The Chairman: If you could find a reason for bringing a witness on No. 2. We have Mr. Newman, who will explain these definitions. If there is any other reason, fine, perhaps we could.

Mr. Korchinski: The point is that whenever a witness appeared we would probably want to cover the whole bill with the witness. So, you could not confine it to one clause unless you passed the whole bill while the witness was present. Then what do you do with the next witness, if you wanted another one? I am suggesting there should be a provision somewhere, or at least some thought given to having some system worked out so that the witnesses should appear under Clause 1, or leave it open until we have finished with them and then have an opportunity to call later witnesses.

The Chairman: I would think if we went through the bill clause by clause that as we go through we might say we will hold Clause 3, that we would like to call such and such a witness, and when we come to Clause 5 or Clause 8 as the case may be, we might stand that one because we want to call a witness. It seems to me that that would be the reasonable approach and by the time we get to the title we will then have a list of clauses that have been stood. We will know what witnesses we wish to call, and this would seem like an orderly procedure. I recognize you now, Mr. Horner.

Si nous considérons ceci comme une directive, alors nous procédons de la bonne façon. Lorsque nous retournerons à l'étude de l'article 1 et du titre, nous aurons probablement l'occasion de formuler des commentaires généraux. En ce qui concerne le comité de M. Pringle, je crois que notre mandat est celui-ci à l'heure actuelle: que si une situation particulière se présentait, à savoir si nous pouvons convoquer tel ou tel témoin, alors le Comité de direction devra formuler une recommandation générale à notre Comité.

M. Korchinski: C'est bien cela. Rien ne prévoit la convocation de témoins et alors nous revenons à ce que je disais tout à l'heure. Il nous faut décider. Est-ce que le témoin peut être convoqué en vertu de l'article 2, 3 ou les autres?

Le président: Si vous trouvez une raison de convoquer des témoins pour l'article 2, M. Newman pourrait nous apporter des précisions.

M. Korchinski: Si un témoin comparait, nous voudrions probablement discuter du bill dans son ensemble, avec le témoin. Nous ne pourrions nous limiter à un seul article. Et qu'arriverait-il du témoin suivant, s'il y en a un? Je crois qu'on devrait peut-être songer à établir un système qui nous permettrait, en vertu de l'article 1, de convoquer les témoins.

Le président: Si nous étudions le bill, article par article, rendus, par exemple, à l'article 3, nous pourrions le laisser en suspens pour convoquer tel ou tel témoin. Et ensuite, quand nous arriverons à l'article 5 ou 8, nous pourrions peut-être les laisser également en suspens afin de pouvoir convoquer un témoin. Et, ainsi, lorsque nous reviendrons à l'étude du titre du bill, nous aurons la liste de ces articles au sujet desquels nous désirons entendre des témoins.

[Texte]

Mr. Horner: Actually Mr. Chairman, I have no objection to your thought but the clauses are interrelated. Clause 2 deals with definitions, and even in the very definition of "Department". There are two departments concerned with this bill, the Department of National Health and Welfare and the Department of Agriculture. Unless the Food and Drug Directorate is going to be moved to the Department of Agriculture, there are only two departments actually concerned with this bill. I just point this out to show how the clauses are actually interrelated.

I have nothing against Mr. Pringle's suggestion of the steering committee, but I do not want the steering committee to lay down the rules for this Committee. The steering committee can decide what the order of business, or something like this, should be but it should not have any authority to lay down the rules on which this Committee is going to operate. I disagree with Mr. Pringle's suggestion.

The Chairman: The steering committee would have no authority to decide the procedure that the Committee would adopt; it would simply bring a recommendation to the Committee and the Committee would decide the procedure.

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Mr. Horner: I would like to deal with this point of hearing witnesses. For example, you say we should proceed clause by clause and if we come to a clause where we want to hear an outside witness, we could call him. If a motion were before the Committee right now that we call—and I am just using this as an example—witnesses from British Columbia, and I do not know whether it was in the Fraser Valley where the aldrin was used in the potatoes and it remained in the soil for years after, but if we called witnesses from British Columbia on that particular case to see whether or not this bill would give those farmers some guarantee or some assurance that the Food and Drug Directorate actually studied and examined the application of aldrin in that case, and whether compensation was justified or whether it was even paid, that it would take you, Mr. Chairman, some time to locate a capable witness from that area and it would take some time for that witness to get here. These are the things that are going on in the back of my mind. We want to hear from people that have been affected to see whether or not this bill is actually going to cover cases like that in the future.

[Interprétation]

M. Horner: En fait, monsieur le président, je n'ai pas d'objection à votre proposition. Mais les articles sont interdépendants. L'article 2 traite des définitions, et même de la définition de «ministère». Il y a deux ministères en cause, dans le bill: le ministère de la Santé nationale et du Bien-être social, ainsi que le ministère de l'Agriculture. A moins que la direction des aliments et des drogues ne relève du ministère de l'Agriculture, il y a deux ministères touchés par ce bill. C'est pour prouver l'interdépendance des articles que je le répète. Je ne m'oppose pas à la suggestion de M. Pringle au sujet du Comité de direction, mais je ne voudrais pas que ce comité décide quel sera le règlement de notre Comité. Le Comité de direction pourra décider de l'ordre ou des étapes à suivre dans l'étude du bill.

Le président: Le Comité de direction n'aurait aucune autorité pour décider de la procédure. Le Comité de direction formulerait une recommandation et c'est le Comité qui déciderait.

M. Horner: Revenons, si vous le permettez, au problème de la convocation des témoins. Vous dites que nous devrions procéder article par article et que si nous arrivons à un article sur lequel nous désirons entendre un témoin, nous n'aurions qu'à le convoquer. Supposons que nous désirons entendre un témoin qui habite en Colombie-Britannique, j'ignore si c'est dans la Vallée du Fraser que ces pesticides ont été utilisés et sont demeurés longtemps dans le sol pour lui demander si le bill serait, à son avis, une garantie pour les fermiers ou une assurance que la Direction des aliments et des drogues a étudié le problème, et si la compensation était justifiée ou si, même, elle a été versée, dans ce cas-là, monsieur le président, il nous faudrait du temps pour localiser un témoin de cette région et pour le faire venir jusqu'ici. Telles sont les questions que je me pose car ce que nous voulons, c'est entendre des témoins touchés par ce problème et qui pourront nous dire si ce bill couvrira ces questions, à l'avenir.

Le président: Monsieur Côté (Richelieu).

The Chairman: Mr. Côté (Richelieu).

[Text]

Mr. Côté (Richelieu): Monsieur le président, depuis près de trois quarts d'heure, nous discutons pour déterminer si nous avons le droit de faire venir des témoins, etc. On a perdu trois quarts d'heure sur cette question. Comme dans plusieurs autres comités, rien ne fonctionnera si chacun s'attend à avoir ses propres règlements.

Ces bills ont certainement été préparés par des fonctionnaires qui ont subi des pressions ou qui se sont rendus compte des problèmes. Si on discutait article par article, il ne serait peut-être pas nécessaire de faire venir les témoins dont on parle. Nous avons des personnes au ministère, qui nous donneraient tout de suite les réponses à nos questions.

Je pense qu'on perd énormément de temps. Ce sont les mêmes discussions. Je ne veux pas blâmer M. Horner, mais, nous aimerions, nous aussi, poser des questions à chaque séance du comité. Assez souvent, les règlements ne sont pas tellement respectés, de sorte qu'on n'a pas tous le droit de parole et que les mêmes répètent toujours la même chose.

Serait-il possible d'expliquer notre point de vue pendant 4 ou 5 minutes, selon les normes spécifiées pour cela, et de passer ensuite à ceux qui demandent la parole? Actuellement, je propose d'étudier article par article. Lorsqu'on aura des problèmes et que les témoins du ministère ne pourront pas nous répondre, on verra à ce moment-là.

The Chairman: Yes, we could have started out by having a general discussion of the bill and making a lot of general comments. I think we should agree that we will go through it clause by clause. When we come to a place where it is catchy, we will stop. We will take time and discuss it and decide whether or not we should call witnesses, or whatever the action of the Committee should be at that particular point.

I would hope that the Committee might agree to go along with this suggestion because we are all pioneering this process of bills being referred to committees, and if we could agree to go along and if we come to a catchy spot we will take time to decide what the right course of the Committee should be. Is there general agreement on that particular point?

Some hon. Members: Agreed.

The Chairman: Mr. Danforth?

Mr. Danforth: Mr. Chairman, I have been trying to get the floor for a very definite

[Interpretation]

Mr. Côté (Richelieu): Mr. Chairman, for about three-quarters of an hour now we have been discussing the question as to whether we have the right to call witnesses, and so forth. We have last three-quarters of an hour discussing this question. As in the case of several other Committees, nothing will work if everyone expects to have his own individual regulations.

These bills have certainly been prepared by officials who have been subjected to certain pressures or who knew that there were problems. It might not be necessary to call witnesses if we were to consider the bill clause by clause. There are people in the Department who would answer immediately to our questions.

I think we are wasting a considerable amount of time. And we remain on the same questions. I do not wish to blame Mr. Horner, but we also would like to be able to ask questions at each Committee meeting. It happens fairly often that the regulations are not closely maintained, so that all of us are not able to speak while the same people keep on repeating the same thing. Would it be possible to explain our own point of view for four or five minutes in accordance with the standards for this, and then afterwards let those who wish to speak have the floor? At the present time, I propose that we proceed with a clause-by-clause study. When problems with arise and the officials of the Department will not be able to answer us, we shall then see what is to be done.

Le président: Oui, nous aurions pu commencer par une discussion générale du bill et formuler des observations générales. J'estime que nous devrions accepter de l'étudier article par article; lorsque nous arrivons à un endroit confus, nous arrêterons. Nous déciderons à ce moment-là ce que devrait faire le Comité à ce moment-là. J'espère que le Comité acceptera cette suggestion car nous sommes tous des pionniers dans cette question du renvoi des bills aux comités. Et alors, si nous acceptons de continuer, nous prendrons le temps, lorsqu'un problème surgira de décider de la procédure à suivre.

Des voix: Accepté.

Le président: Monsieur Danforth?

M. Danforth: Si vous voulez m'excuser, je ne crois pas que vous devriez avoir à tran-

[Texte]

purpose. I do not think—if you will pardon me—that the onus should be on you, Mr. Chairman, in this regard. May I respectfully suggest that since we are pioneering new ground and since we have run into this problem, and I am sorry I did not get the floor earlier, that these are the very things that we as a committee, although we are interested in them, it is not our ultimate decision. Should we not refer this to the House leaders of our respective parties and discuss the problems as we see them and then ask the House leaders of the parties to determine among themselves the interpretation of these rules and the rules under which the Committee should act.

I think we would get much further ahead if it were done in this manner. Firstly, a decision would of necessity then be taken and, secondly, we would have a uniform procedure of the committees of the House. This is the point that I was trying to make.

The Chairman: Any further comments? Mr. Lambert (Bellechasse)?

M. Lambert (Bellechasse): Je vois qu'il y a énormément de confusion et que tous s'interrogent. J'ai une question bien précise à vous poser. Est-ce qu'on peut désigner les personnes qui sont ici, ce matin, comme des témoins, ou bien sont-elles des conseillers relevant du ministère de l'Agriculture? Si ce sont des témoins, ils ont été convoqués. S'ils ont été convoqués comme témoins, c'est que le président avait l'autorité pour le faire. C'est notre première séance sous le nouveau Règlement. Si on a déjà la possibilité d'avoir des témoins, pourquoi ne l'aurions-nous pas plus tard? Il s'agirait de s'entendre pour savoir si, ce matin, nous avons des témoins ou des conseillers.

The Chairman: The gentlemen who are present are officials from the Canada Department of Agriculture and they each specialize in some particular field, whether it be insecticides, legal interpretation, administration, or whatever else. Whether you wish to call them witnesses or advisors I think depends on which aspect of it you look at. They are here to guide and to help us and to interpret the bill in areas which may be difficult for us. I recognize Mr. Southam.

• 1030

Mr. Southam: Mr. Chairman, I have been listening with a great deal of interest to this discussion. I think that possibly one of the problems before the Committee this morning is that, as has been pointed out, we are breaking new ground and we are trying to go

[Interprétation]

cher cette question, monsieur le président. Étant donné que nous sommes des pionniers et étant donné que le problème a été soulevé, même si toute cette question nous touche, la décision ne relève pas de nous en fin de compte. Est-ce que nous ne devrions pas discuter de ce problème avec notre leader respectif en Chambre et demander aux divers leaders, en Chambre, de décider entre eux de l'interprétation qu'il faut donner à ces règlements.

Je crois que nous progresserions beaucoup plus parce que, premièrement, il y aurait une décision de prise et deuxièmement, nous aurions une procédure uniforme pour tous les comités de la Chambre. C'est la suggestion que je voudrais formuler.

Le président: Y a-t-il d'autres commentaires? Monsieur Lambert.

Mr. Lambert (Bellechasse): I see that there is a great deal of confusion. We all have questions of some kind. I have a very specific one. Are the people here this morning witnesses, or are they advisors from the Department of Agriculture? If they are witnesses, they have been called to the Committee. And if they have been called to the Committee as witnesses, it is because the Chairman had the authority to do it. It is the first meeting of this Committee under the new Standing Orders. If we can have witnesses at this stage, why should we not be able to have them at a later stage? It would be a matter of agreeing whether, this morning, we have witnesses or advisers.

Le président: Les personnes ici présentes sont des haut fonctionnaires du ministère de l'agriculture, chacun spécialiste dans un domaine donné, que ce soit les insecticides, l'interprétation juridique, l'administration, que sais-je encore. Que vous les appeliez conseillers ou que vous les appeliez témoins, cela dépend de la façon dont vous regardez les choses. En fait, ils sont ici pour nous orienter, pour nous aider et pour nous expliquer le projet de loi dans des domaines qui nous sont peut-être peu accessibles.

M. Southam: Monsieur le président, j'ai écouté attentivement ce qui a été dit et je pense que l'un des principaux problèmes qui se posent à nous, ce matin, c'est que nous entrons dans un nouveau domaine et que nous cherchons à faire le travail, non seule-

[Text]

carefully and expedite the business of not only this Committee but of the work of the House as well.

I think what we have done here is taken some new problems incorporated in this new bill a little prematurely. I am thinking of the comment that Mr. Horner made a few moments ago with respect to the work that our Transport and Communications Committee did in setting up the new Act. A great many witnesses were heard but due to the fact that it was something new the government saw fit, and we were in agreement with it, to develop a skeleton bill and they presented it to the Committee with terms of reference to call in witnesses and get the best information they could from all across Canada. I have every faith in the efficiency and ability of the departmental officials who helped the Minister develop this bill, but I think we should have had an open reference to the Committee with the terms of reference that witnesses could have been called, amendments could have been brought in the Committee to the suggested skeleton bill and then, when it was properly reviewed in committee, the Minister with the advice of his officials would then have brought in a bill and presented it to the House similar to Bill C-155. It would then have come back to the Committee and we would not have had all this discussion about witnesses because we would have already interviewed them and it would just be more or less the regular process of passing a bill, the same as in the Committee of the Whole House. I think in this particular case we have put the cart before the horse.

I think we could avoid a lot of trouble in the future if we followed this approach, have the Minister and his officials in planning new legislation—not just an amendment to an Act—consider when witnesses are required.

I can understand that we are going into something new here and we should have the advice of the people that are directly affected by the problems that this bill will cover. No doubt the departmental officials have a lot of information, but we may run into areas where we should have had these witnesses before the Committee. We are going to bog down in a case like this. We should have done a lot of this missionary work beforehand.

The Chairman: If I may make this observation, I think we should proceed and when we come to that kind of a place we will call the

[Interpretation]

ment de notre Comité mais également de la Chambre.

Je crois que nous nous sommes attaqués un peu trop vite à certains problèmes inhérents à ce bill. Je me souviens, par exemple, des commentaires de M. Horner, sur le travail effectué par le Comité des transports et communications en vue de la rédaction du projet de loi avec des attributions lui permettant de convoquer des témoins pour obtenir tous les renseignements de tout le Canada. Je ne mets pas en doute la qualité des fonctionnaires qui ont aidé le ministre à rédiger ce projet de loi, mais je pense qu'il aurait fallu officialiser le mandat du comité puis, ensuite, demander au comité d'étudier l'avant-projet de loi, et alors le ministre, aidé de ses fonctionnaires, aurait pu rédiger un projet de loi semblable au bill C-155 et le soumettre à la Chambre.

Plusieurs témoins ont été entendus, mais le gouvernement, comme c'était quelque chose de nouveau, a établi ce projet de loi et l'a soumis au Comité.

Si cela avait été fait avant, on n'aurait pas eu tout ce problème concernant les témoins parce qu'on les aurait déjà entendus et, en fait, cela aurait été simplement quelque chose de routinier. Je pense qu'on met la charrue devant les bœufs, ici. On pourrait éviter des difficultés de ce genre à l'avenir si le ministre et ses collaborateurs, lorsqu'ils préparent de nouvelles lois, pas seulement des modifications, songeaient aux témoins à convoquer.

Je comprends qu'il y a quelque chose de nouveau et il nous faudrait les conseils des gens compétents dans la matière. Il ne fait aucun doute que les responsables du ministère ont beaucoup de renseignements, mais malgré tout, nous allons nous trouver dans des situations où ces témoins auraient dû être entendus. On va s'embourber dans une législation de ce genre. Il faudrait que ce mécanisme ait été rodé à l'avance.

Le président: Si vous me permettez de faire cette remarque, je pense que nous devrions continuer nos travaux, et si nous nous heur-

[Texte]

witness if necessary. I think we are wasting time this morning by anticipating a lot of things that will never happen. Let us go as far as we can and when we have gone that far, if we need to stop and take a look at it and call witnesses, or whatever else, I am sure there will be a disposition on the part of the Committee to do that very thing.

Mr. Barrett: May I suggest, Mr. Chairman, that we proceed. May I also suggest, Mr. Chairman, that this is historical. The witnesses were called before this was put into print. When we are discussing new legislation, which we will be, we will then go through all this sort of thing.

An hon. Member: Is it new legislation?

Mr. Barrett: It is new in the sense that it is new here in print. The people who arranged this sort of a situation reviewed this before they put it into print.

Mr. Horner: Is that your image of democracy?

Mr. Barrett: Who did?

The Chairman: Order, gentlemen. Will you please direct your remarks to the Chair and avoid cross-fire, if possible. I want to recognize Mr. Roy (Laval).

M. Roy: Merci, monsieur le président. Je crois que si nous continuons à discuter, nous allons tourner en rond et notre travail sera absolument inutile.

Nous avons été convoqués ici ce matin pour l'étude du Bill C-155. Nous ne l'avons pas été pour discuter de la procédure à suivre. Je pense que tous les membres ici présents sont intelligents. Nous avons tous été élus par le peuple et quant au quorum, je crois que nous sommes tous assez consciencieux pour nous occuper du Comité de l'agriculture et discuter intelligemment.

Deuxièmement, nous avons élu un président et je suis persuadé que depuis le début, il a rempli sa tâche d'une façon remarquable, alors, il faut lui faire confiance ainsi qu'aux membres. Présentement, des doutes sont émis: aurons-nous des invités ou non? Une très grande importance doit être accordée à l'étude du bill. Il est 10 h 40; quelques-uns d'entre nous doivent se rendre à d'autres comités à 11 heures. Mais au rythme où vont les choses, nous ne pourrions prendre part à toute la discussion, ayant à nous rendre à un autre comité.

[Interprétation]

tions à cette difficulté, à ce moment-là on convoquera le témoin s'il y a lieu. Je pense qu'on perd du temps, ce matin, en anticipant des problèmes alors qu'on ne les a pas encore rencontrés. Allons jusqu'où on peut, jusqu'aux difficultés, et si nous devons arrêter, nous arrêterons, nous étudierons la question, et nous convoquerons les témoins. Je suis certain qu'à ce moment-là le comité sera tout à fait disposé à le faire.

M. Barrett: Puis-je également dire, monsieur le président, que c'est là un moment historique. Les témoins ont été convoqués avant que cela soit imprimé. Lorsque cela nous sera soumis, nous l'étudierons.

Une voix: Est-ce une nouvelle loi?

M. Barrett: Oui, c'est nouveau dans ce sens que c'est nouvellement imprimé mais, en fait, les responsables de cette situation l'ont étudiée avant de l'imprimer.

M. Horner: Est-ce là votre idée de la démocratie?

M. Barrett: Qui l'a fait?

Le président: Voulez-vous parler au président, s'il vous plaît, et éviter de parler tous ensemble. M. Roy (Laval) a la parole.

Mr. Roy (Laval): Thank you, Mr. Chairman. I believe that we are going in circles and we are wasting our time.

We have been called here this morning to study Bill C-155, and we did not come here to discuss the procedural methods. I believe that the members here are intelligent. We have all been elected by the people, and with regard to the quorum, I believe that we are all conscientious enough to carry on with the business of the Committee on Agriculture and to discuss intelligently.

Secondly, we have elected a Chairman and I believe that since his election he has fulfilled his duty in a remarkable way. Therefore, we must trust him and we must trust the members. At the present there are some doubts as to whether we are going to have people invited or not. I believe that what is extremely important is to discuss the Bill. It is twenty to eleven, and I believe that there are some among us who have other Committee meetings at eleven o'clock. The way things are going, we will not be able to participate in the entire discussion because we have to attend another Committee.

[Text]

• 1035

Alors, je suggère que nous commençons l'étude du bill, article par article et si, à un moment donné, comme l'a suggéré le président, la présence d'un représentant de la Division des aliments et drogues s'avère utile, nous pourrions le convoquer et il pourra alors répondre à nos questions.

The Chairman: Is there general agreement that we should proceed?

Some hon. Members: Yes.

The Chairman: After all, we have departmental people here who are specialists in various areas and I think we owe it to ourselves to call them and get the information they have at their disposal. If when we have concluded the clauses we are still not satisfied, we will call whoever you would like to call. Shall we proceed with Clause 2. Are there any questions concerning the interpretation of the word "Department"? Is there any question about the interpretation of the word "Farmer"?

Mr. Lefebvre: What constitutes a farmer?

Mr. Horner: Could the learned writer state specifically what he means? Is anybody that sells an agricultural product automatically a farmer? Is this the right interpretation of the definition of a farmer?

The Chairman: We should have an interpretation of this.

Mr. Olson: Mr. Chairman, I think the interpretation there is fairly clear. It says:

a producer of primary agricultural products for sale

However, perhaps Mr. Newman would like to expand on that, although it seems fairly clear to me.

The Chairman: Mr. Newman, will you use the microphone, please?

Mr. Harvey Newman (Departmental Legal Adviser, Department of Agriculture): Mr. Chairman, in considering the meaning of the definitions I think it would be helpful if we not only considered the English version, but also the French version. The definition given for "cultivateur" is in French, and it reads:

"s'entend d'un producteur de produits agricoles de base destinés à la vente"

I think the meaning is quite clear from the French version, if not from the English version. I think the English version is also fairly clear that "Farmer" means a commercial

[Interpretation]

So I suggest that we begin discussing the Bill clause by clause and, as the Chairman put it, if at a given time we need someone from the Food and Drugs Directorate, we shall call him to answer our questions.

Le président: Est-ce que vous êtes d'accord pour que nous poursuivions la discussion?

Des voix: D'accord.

Le président: Il y a des responsables du ministère, ici, qui sont spécialisés dans différents domaines, et je pense que nous nous devons de chercher à obtenir les renseignements dont ils disposent. Si, lorsque nous aurons terminé l'étude des articles, nous ne sommes pas satisfaits, à ce moment-là, nous pourrions convoquer qui nous voudrions.

Donc, passons à l'article 2. Y a-t-il des questions concernant l'interprétation du terme «ministère»? Y en a-t-il en ce qui concerne le terme «cultivateur»?

M. Lefebvre: Qu'est-ce qu'un cultivateur?

M. Horner: Est-ce que l'on peut savoir spécifiquement ce qu'on entend par cela? Quelqu'un qui vend un produit agricole est-il automatiquement un cultivateur? Est-ce la bonne interprétation?

Le président: Nous devrions en avoir une interprétation.

L'hon. M. Olson: Monsieur le président, l'interprétation est très claire. Il s'agit: «d'un producteur de produits agricoles de base destinés à la vente.» Peut-être M. Newman veut-il s'étendre un peu sur cette question, bien qu'il me semble que cela soit clair.

Le président: N. Newman, voulez-vous parler dans le micro, s'il vous plaît?

M. Harvey Newman (conseiller juridique, ministère de l'Agriculture): Monsieur le président, lorsque nous étudions le terme, je pense qu'il serait bon d'avoir non seulement la version anglaise mais également la version française. La définition du mot «cultivateur», en français se lit comme il suit:...

«s'entend d'un producteur de produits agricoles de base destinés à la vente.»

Je pense que le sens est très clair en français, sinon en anglais. Je pense que l'anglais est également clair. En effet, le «farmer» veut dire un cultivateur commercial, c'est-à-dire

[Texte]

farmer, a person in the business of producing primary agricultural products.

Mr. Horner: Does it have to be that farmer's primary business or can he be just a producer? Can he have another major business? In other words, how much of a producer does he have to be? Is there any limitation placed upon it, that the greatest share of his income must come from that produce, or anything like that?

Mr. Newman: No, not really. I would think that a court would interpret this word to mean that a farmer is a person who is in the business of farming and growing primary products. He might also have a number of other businesses and farming might constitute only a small portion of his income. But if he is in the business—and that depends on all the facts of his particular enterprises—this Act could also apply to him even though he is not a full-time farmer.

Mr. Peters: May I ask, Mr. Chairman, what other Act you referred to when you were using this designation? I know you did not do so just now, I mean in the designing of this clause. In so far as income tax is concerned, a farmer is one thing; the subsidy programs, he is another, and the loan programs of the federal government is a totally different animal. Which one of them did you refer to? Has the Interpretation Act decided what a farmer is?

• 1040

Mr. Newman: I should point out that in my opinion this Act would not be interpreted, as they say, *in pari materia* with any other Act that is on the books at this time. It was the intention of the framers of this legislation to give a very broad base to those who would be eligible for compensation under this statute. It was not designed to be restricted by interpretations that might be given to this word as found in other Acts, such as the Income Tax Act.

The Chairman: Mr. Korchinski (Mackenzie).

Mr. Korchinski: I think this is quite important because I can foresee a lot of applications by people who perhaps are not deeply involved in agriculture. I will cite a case. Suppose my grandmother has a patch of raspberries and a patch of strawberries. If she decided to offer these strawberries or raspberries for sale, is this the type of compensation that will be affected? Will these people be affected by compensation? In the case of damages, could they apply and get compensated?

[Interprétation]

qui s'occupe de ventes de produits agricoles de base.

M. Horner: Est-ce nécessaire que ce soit là la principale activité de l'agriculteur ou faut-il qu'il soit simplement producteur et qu'il ait également un autre commerce? Y a-t-il une définition en ce qui concerne la part de ces revenus qui doivent venir de la vente de ses produits de base?

M. Newman: Non, il n'y a pas de définition dans ce sens. En fait, je pense qu'un tribunal définirait un cultivateur comme quelqu'un qui a une activité agricole et qui s'occupe de la culture de produits de base. Il fait peut-être également autre chose et il se peut que la culture ne représente qu'une petite partie de ses revenus. Mais, malgré tout, si quelqu'un s'occupe de ce genre de chose et en fait son entreprise donnée, je pense que cette loi pourrait lui être appliquée, même s'il n'est pas agriculteur à temps plein.

M. Peters: Quelles sont les autres lois auxquelles vous vous êtes référés pour rédiger cette définition? Je sais que vous ne l'avez pas inventée comme cela; vous avez pris la définition fiscale des impôts sur le revenu pour les programmes de prêts du gouvernement fédéral pour l'élevage de bétail. Laquelle de ces définitions avez-vous prise? La Loi d'interprétation a-t-elle précisé ce qu'est un cultivateur?

M. Newman: Je voudrais vous dire que cette loi, d'après moi, ne doit pas être interprétée *in pari materia* avec d'autres lois figurant actuellement aux statuts. En fait, les auteurs de cette loi voulaient donner une base très large à ceux qui pourraient bénéficier de ces indemnités d'après la loi. Et il ne s'agissait pas de les limiter par une définition qui pourrait exister déjà dans d'autres lois comme la Loi de l'impôt sur le revenu, par exemple.

Le président: Monsieur Korchinski.

M. Korchinski: Monsieur le président, je pense que c'est là quelque chose de très important parce que je vois beaucoup de cas où cela pourrait s'appliquer, à des gens qui ne s'occupent pas beaucoup d'agriculture.

Disons que ma grand-mère, peut-être, a un pâturage où elle fait brouter quelques animaux. Et elle peut également cultiver et vendre des fraises et des framboises. A ce moment-là, elle a peut-être droit à des indemnités si elle a des dégâts.

[Text]

Mr. Newman: Theoretically I suppose a good case could be made out for your grandmother if she wanted to receive compensation. However, as you can see from reading the bill, a very complicated procedure has to be followed and I would think that people making frivolous claims would be discouraged under this legislation from applying for compensation.

The Chairman: Mr. Williams will comment further.

Mr. Williams: Perhaps I might say a word in further explanation. As has been pointed out, when this was drawn up the intent was to make it as broad as possible. It was our view that this would apply to any producer of any primary agricultural products. However, I think as you get further into the bill you will notice there are provisions whereby the Governor in Council by regulation can limit both the maximum and the minimum payments. The intent of that—I believe it is clause 3, subclauses (3) and (4) which might apply in the particular case you raise, sir—was simply to avoid, if possible, trivial and frivolous claims. There is a provision in it that while everybody who produces any primary product can be eligible for it, there might be limitations put on later depending upon the regulations that were drawn up in terms of maximum and minimum payments.

Mr. Korchinski: I have already marked my bill in regard to regulations because of that very fact. We can study a bill as thoroughly as we like, but then the Department can come along and by a series of regulations undo all the work that the Committee is doing or is intending to do, or any suggestions that they can make. It is simply a study later on. Perhaps another suggestion that might be made is that in the future when we are discussing bills some attempt might be made at drawing up regulations so that the Committee might look into some of these regulations. I often find in the interpretation of a bill that you may have one interpretation, but when you become involved in regulations that the Department has set up for their own convenience, everything seems to work against the people that the bill is really set up to help.

Mr. Barrett: May I suggest, Mr. Chairman, that if we do not proceed by the time we get to subclause (2) or (3). Mr. Williams will be superannuated and on pension.

• 1045

The Chairman: Order. I think we can get along without provocative comments.

[Interpretation]

M. Newman: Théoriquement, je pense que, effectivement, on pourrait tenir compte de la situation de votre grand-mère, si elle avait droit à des indemnités. Mais malgré tout, comme vous pouvez le voir dans le texte de la loi, il y a une procédure très compliquée à suivre et les gens qui font des demandes d'indemnités un peu à la légère sont très vite dissuadés.

Le président: M. Williams a d'autre chose à ajouter.

M. Williams: Je pourrais ajouter, à titre d'explication, que notre but était d'établir une base aussi large que possible, étant entendu que cela s'appliquerait à tout producteur de produits de base agricoles. Mais, bien sûr au fur et à mesure que vous avancerez dans le texte du projet de loi, vous verrez qu'il renferme des dispositions d'après lesquelles le Cabinet peut décider du montant des versements minimum et maximum. Les paragraphes (3) et (4) s'appliquant à ces cas-là sont des limites, en quelque sorte, et cela a précisément pour but d'éviter les demandes d'indemnités faites à la légère. Et par conséquent, il est prévu, dans ce texte de loi, que bien que tout producteur de denrées agricoles puisse faire des demandes, il y a des limites ultérieurement, au fur et à mesure que l'on fixe des limites maximum et minimum.

M. Korchinski: J'ai déjà remarqué qu'on peut étudier un projet de loi à fond et puis, tout d'un coup, le ministère peut arriver, par une série de règlements, à défaire, à la suite d'une étude ultérieure, tout ce que l'on a fait au Comité.

Il serait peut-être bon de suggérer qu'à l'avenir, le Comité étudie les règlements, lui aussi, non seulement le projet de loi. On donne une certaine interprétation au bill et puis plus tard, au fur et à mesure qu'on l'étudie, on s'aperçoit que le ministère, parce que cela lui facilite les choses, a fait un règlement dans lequel il donne une interprétation différente.

M. Barrett: Monsieur le président, si nous n'allons pas plus vite, M. Williams sera à sa retraite quand nous arriverons aux paragraphes (2) et (3).

Le président: A l'ordre. Je pense qu'il n'est pas nécessaire de faire des accusations provocantes.

[Texte]

An hon. Member: I am sorry, Mr. Chairman.

The Chairman: Thank you. Are we agreed on the explanation of the word "farmer"?

M. Lambert (Bellechasse): J'aurais une question à poser, monsieur le président. Le mot «cultivateur» comprendrait-il également une association de personnes, disons deux ou trois, qui dirigent une entreprise agricole sous un nom commercial?

Mr. Newman: It is a well known principle in company law that a corporation has all the status of a person, and in my opinion I think this word could be extended to include a corporation in the business of producing primary agricultural products.

The Chairman: Thank you. Are we satisfied with the interpretation of the word "farmer"? Subclause (b) reads:

(c) "inspector" means a person designated as an inspector pursuant to section 6;

Are there any questions concerning these responsibilities? Mr. Roy (Laval).

M. Roy (Laval): Qu'entendez-vous par «inspecteur»? S'agit-il d'un agronome ou d'un technicien en production végétale?

Mr. Phillips: The intention here was to provide for any type of inspector or any person with any qualifications considered necessary in order to look into the claim. It would depend on the residue and various other matters which type of person would be sent into the examination. There is nothing precise in an inspector *per se* dealing with the qualifications. He would have to be considered fully qualified to carry out the type of investigation required. You will note under this bill that it is not intended to hire additional people. It is a question of designating the right people that are in the employ of the government to examine the matter.

Mr. Danforth: Mr. Chairman, I have a question on this that is causing me some difficulty. It follows along the previous question on qualifications. I am at a bit of a loss on this. This particular subject will be under three separate Acts, and it states that the Minister may designate any qualified person. In this particular instance would the inspector not have to be connected very closely to the directions of the Food and Drugs Act? I am at a bit of a loss if this is the qualification of the inspector. The inspector would be

[Interprétation]

Une voix: Je m'excuse.

Le président: Sommes-nous d'accord au sujet de la définition du mot «cultivateur»?

Mr. Lambert (Bellechasse): One question, Mr. Chairman. Would the term "farmer" also cover an association of individuals, let us say two or three individuals, who operate an agricultural undertaking under a trade name?

M. Newman: Eh bien, il existe un principe très connu dans le Droit sur les sociétés selon lequel une société a les mêmes droits qu'un individu. Donc, par conséquent, cela pourrait également s'étendre à une société qui a pour activité la vente de produits agricoles de base.

Le président: Donc, nous sommes satisfaits de l'interprétation du terme «cultivateur»?

Article 2, paragraphe c):

«inspecteur» s'entend d'une personne désignée à titre d'inspecteur en conformité de l'article 6.

Avez-vous des questions à poser à ce sujet? Monsieur Roy?

Mr. Roy (Laval): What is an "inspector"? Is he an agronomist or a technician in plant production?

M. Phillips: Eh bien, ce que l'on voulait ici, c'est prévoir le cas de tout inspecteur ou de toute prsonne dont les compétences sont nécessaires pour étudier la demande d'indemnités. En fait, cela dépendra de la nature des pesticides et d'autres considérations. Donc, de cela dépendra la qualité de la personne que l'on enverra. Par conséquent, il n'y a pas d'inspecteurs en tant que tels pour étudier ces cas. Il faudra que ce soit une personne qualifiée pour faire l'enquête nécessaire dans le cas présent.

Vous remarquerez que l'on n'envisage pas, dans ce projet de loi, d'embaucher d'autres employés pour étudier la question, mais plutôt de recourir à ceux qui sont déjà à l'emploi du gouvernement.

M. Danforth: J'ai des difficultés à comprendre, je suis un peu perdu. On traite de cette question dans trois lois différentes. On dit que le ministre peut désigner les personnes qualifiées. Est-ce que, dans ce cas, il ne faudrait pas que l'inspecteur soit associé étroitement à la Direction des aliments et drogues? Je suis un peu perdu, si c'est là les qualifications de l'inspecteur. L'inspecteur doit dépendre du ministre. Qui est responsable de le nommer? Est-ce le ministre de l'Agriculture ou le ministre responsable de l'autre loi?

[Text]

under the direction of the Minister who is administering the Food and Drugs Act. Where does the responsibility of designating the Minister fall? Is it under the Minister of Agriculture or the Minister under whose jurisdiction the other act is placed?

Mr. Phillips: As you will see later, one of the qualifications for eligibility under this is that the Minister of National Health and Welfare through his agents has indicated that the product was not eligible for sale or would be contrary to that regulation. All of that is handled by the Food and Drug Directorate under the Minister of National Health and Welfare. The "inspector" referred to here only then relates to an inspection of the eligibility of the claim made under this bill. The other action has taken place before eligibility is established. The inspection is then made and it is assessed if it is a fair claim, was it his fault or was it not his fault, and this type of thing.

Mr. Korchinski: If, for example, there is a lot of work to be done and perhaps the nature of the work is such that it requires immediate attention, could the Minister appoint inspectors as he sees fit? Do they have to have the necessary qualifications or can they just be picked up as the need demands it?

● 1050

Mr. Olson: I think, Mr. Chairman, that Clause 6 is very clear on that point. It says:

6. The Minister may designate any qualified person as an inspector for the purposes of this Act.

If the situation should arise where additional inspectors are required, under Clause 6, the Minister may designate any such qualified person. There is no limiting language there as to the number. It has been pointed out to me that there is no right given to the Minister to hire additional personnel. It is to designate people who are already in the employ of the federal government, and presumably in the employ of the Department of Agriculture, to designate those people as inspectors for the purpose of this Act.

Mr. Korchinski: Simply because they are employed by the Department of Agriculture does not necessarily qualify them for a particular type of work. I can well imagine that perhaps you may find a lot of qualified people in the Department who can do that particular type of work. However, there might be a special case where you might run into—I cannot even dream up one at the moment—a

[Interpretation]

M. Phillips: Eh bien, comme vous le verrez plus tard, l'une des qualifications pour être éligible, c'est que le ministre de la Santé ait indiqué que le produit est invendable. Tout cela, donc, relève de la Direction des aliments et des drogues dans le cas du ministre de la Santé. L'inspecteur en dépend et il ne rapporte que sur la recevabilité de la réclamation qui a été faite. Ensuite, l'inspection doit décider si c'est une plainte recevable ou non, est-ce que c'était sa faute ou non?

M. Korchinski: S'il se présentait, par exemple, un surcroît de travail, de nature particulière, demandant une intervention rapide, le ministre pourrait-il nommer des inspecteurs comme il le veut? Doivent-ils avoir la compétence nécessaire?

L'hon. M. Olson: Monsieur le président, je pense que l'article 6 est très clair à ce sujet. Il y est dit que:

Le Ministre peut désigner toute personne qualifiée à titre d'inspecteur pour les fins de la présente loi.

Donc, il peut le faire. Il n'y a aucune limite dans le texte quant au nombre et il est à prévoir qu'ils seraient nommés par le ministre intéressé. On vient de me dire que le ministre n'a pas le droit d'embaucher du personnel supplémentaire en dehors du personnel qui est déjà employé par le gouvernement fédéral, mais il peut désigner n'importe laquelle de ces personnes comme inspecteur.

M. Korchinski: Le fait de travailler pour le ministère de l'Agriculture ne veut pas nécessairement dire qu'ils sont compétents pour un certain genre de travail. Il y a peut-être des gens très qualifiés dans le ministère qui peuvent certainement faire ce genre de travail. Je n'ai pas de cas précis en ce moment, mais vous pouvez avoir une situation où un problème de pluie, par exemple, interviendrait

[Texte]

situation where you have rain, for example, after an application of some particular pesticide. Unless that inspection were done quickly the effect on the plant might not be noted immediately. What is the procedure here? The Minister obviously cannot appoint anyone simply because he works in the Department.

Mr. Olson: Mr. Chairman, the Minister would have to find qualified people, but those qualified people would also have to be in the employ of the government under the public service Act to qualify, because there is no additional authority given in this Act to hire inspectors who are not in the public service. You said that you could not think of a situation where it would arise.

Mr. Korchinski: I will not think of one in five minutes.

Mr. Olson: I cannot think of one either. However, I think it would be fair to say that if there were some specific and special situation involving some particular technical ability which was required of an inspector, and if that person were not available within the Department of Agriculture but, for example, was available from within the Department of National Health and Welfare, I see no prohibition against that kind of an inspection.

But let us bear in mind that what we are talking about is an inspector to advise the Minister on whether the claim is proper or not. All of those things, the condemnation because of pesticide residue in the food, prohibiting it from sale, and so on, will all have taken place prior to the need for the services of an inspector under this Act.

Mr. Korchinski: All right. As you have already indicated, the type of inspector you would have would be from the civil service. It would not be the type of inspector that perhaps you have under the P.F.A.A.

Mr. Olson: No. After all, we do not expect to have this sort of thing occurring every day.

The Chairman: Gentlemen, are you satisfied with the explanation of the word "inspector"? Mr. Peters.

Mr. Peters: This inspector is only involved in the fixing of the compensation and the relationship to this Act. The technical degree would be under the Food and Drug Directorate.

The Chairman: They decide whether the products are saleable or prohibitive.

Mr. Peters: Yes. These inspectors will not do that now.

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[Interprétation]

après l'application de certains pesticides. On en remarque pas les dégâts immédiatement, surtout si l'inspection n'est pas faite immédiatement. Quelle est la procédure à suivre dans un tel cas? Le ministre ne peut pas désigner une personne simplement parce qu'elle travaille dans son ministère.

L'hon. M. Olson: Le ministre devra trouver des gens qualifiés, mais ceux-ci devront également être employés par le gouvernement, dans le cadre de la Loi sur la fonction publique, pour être qualifiés. Car, dans cette loi, le ministre n'a pas l'autorité de recruter quelqu'un en dehors de la fonction publique. Vous dites que vous n'avez pas de cas précis où cela pourrait se produire.

M. Korchinski: Je ne peux pas en trouver en cinq minutes.

L'hon. M. Olson: Je n'en ai pas non plus. Mais, on peut dire à juste titre que s'il y avait un cas spécial où il serait nécessaire que l'inspecteur ait une aptitude technique particulière, et si cet individu n'était pas disponible dans le ministère de l'Agriculture, mais l'était, par exemple, dans le ministère de la Santé nationale et du Bien-être social, je ne vois aucune raison qui empêcherait le ministre de choisir ce genre d'inspecteur.

N'oubliez pas que nous parlons d'un inspecteur chargé de conseiller le ministre sur la valeur de la réclamation. Tous les autres facteurs, c'est-à-dire, la condamnation à cause des résidus de pesticide dans la nourriture, l'interdiction de la vente, etc., seraient antérieurs à la nécessité de recourir à un inspecteur, selon cette Loi.

M. Korchinski: Très bien. Ce serait un inspecteur de la Fonction publique. Ce ne serait pas un inspecteur du genre que l'on trouve dans la Loi sur l'assistance à l'agriculture des Prairies.

L'hon. M. Olson: Non, car ces choses n'arriveront pas à tous les jours.

Le président: Messieurs, êtes-vous satisfaits des explications données pour le terme «inspecteur»? Monsieur Peters.

M. Peters: Cet inspecteur ne sert qu'à fixer le montant des indemnités; il n'intervient que dans le cadre de cette Loi. L'aspect technique relèverait de la Direction des aliments et drogues.

Le président: Elle décide si les produits sont vendables ou prohibitifs.

M. Peters: Ces inspecteurs ne prendront pas une telle décision.

[Text]

The Chairman: Are you satisfied, gentlemen? Subclause (d) reads:

"Minister" means the Minister of Agriculture;

Mr. Whicher: I want to hear the arguments on this one!

An hon. Member: What are the qualifications on this one, Mr. Minister?

Mr. Olson: Very high in the case of other people!

The Chairman: I think the next one is probably more questionable:

"Pesticide residue" means the residue of any pesticide or degradation-product thereof in or upon an agricultural product.

• 1055

Mr. Danforth: Mr. Chairman, may I pose a question on the legal interpretation of this under the Act. May I take it for granted that pesticide residue on the degradation-product covers the full gamut of controls which are used with regard to entomology and plant pathology as well? May I put it another way. Does the control deal with the control of insects only or of plant diseases, fungicides and the whole gamut?

Mr. Newman: I think it is a broad statement, Mr. Danforth. The answer to that is many of the control products which are listed under the Pest Control Products Act are considered to be products...

Mr. Danforth: Any of the chemicals involved.

Mr. Williams: Any of the chemicals that are controlled under the other Act that will be before this Committee at a later date.

Mr. Phillips: You might be interested to know, because of the interest shown earlier in the British Columbia case, that it was aldrin in that case and dieldrin was found. That is covered. It is a degradation-product, so it covers the situation where it is changed.

Mr. Horner: To proceed just a little bit further on the degradation-product aspect of this clause, let us think of the problem near the fertilizer plant at Dunnville, Ontario. For example, would that be covered under this degradation-product clause?

Mr. Williams: It is not the intention that this Bill would cover that situation.

[Interpretation]

Le président: Êtes-vous satisfaits, messieurs? Voici le paragraphe d):

«Ministre» s'entend du ministre de l'Agriculture;

M. Whicher: Il y a peut-être des nuances à faire là-dessus, monsieur le président.

Une voix: Quelles sont les qualités requises?

L'hon. M. Olson: Très exigeantes pour les autres personnes.

Le président: Le prochain point est plus discutable.

«Résidus de pesticide» s'entend des résidus d'un pesticide ou du produit résultant de sa détérioration dans ou sur un produit agricole.

M. Danforth: Monsieur le président, j'ai une question au sujet de l'interprétation juridique de cette loi. Est-ce que les résidus d'un pesticide sur le produit résultant de sa détérioration englobent toute la gamme des contrôles utilisés en entomologie et en pathologie des plantes? En d'autres mots, est-ce qu'on parle du contrôle des insectes seulement, ou parle-t-on également des maladies des plantes, des fongicides, etc.?

M. Newman: Le sujet que vous abordez est très vaste, monsieur Danforth. Plusieurs produits de contrôle qui sont énumérés dans la Loi sur les produits antiparasitaires sont considérés comme des produits...

M. Danforth: Tous les produits chimiques en cause?

M. Williams: Tous les produits chimiques sous le contrôle de l'autre Loi qui sera déférée à ce comité plus tard.

M. Phillips: Il vous intéressera peut-être de savoir que, dans un cas en Colombie-Britannique, il y avait de l'aldrine et on a trouvé du bialdrine. On a considéré que c'était un produit de détérioration. Par conséquent, vous avez la situation où un produit est transformé.

M. Horner: En ce qui concerne l'aspect «détérioration» de cet article, prenons le problème qui se pose près de l'usine d'engrais chimiques à Dunnville, Ontario. Est-ce que cela serait couvert par cet article sur la détérioration du produit?

M. Williams: Ce bill ne comprend pas cette situation.

[Texte]

Mr. Horner: Then let us take a look at the industry generally. Take the City of Sudbury, for example. Anybody farming in that area a few years ago would have suffered quite severely. That is a degradation of a product. It is the residue that falls.

Mr. Barrett: It is not directly applied.

An hon. Member: Not through pesticides.

Mr. Barrett: It is not directly applied. It is in the air; it is in your bosom. It is in all your being.

The Chairman: Gentlemen, please. Mr. Horner.

Mr. Horner: Mr. Chairman, should we not be considering something such as this Act apply to the case—if there is some justification for it—of the poisoning that has been going on near the Dunnville fertilizer plant?

Mr. Olson: Mr. Chairman, there is consideration being given to that aspect of loss, if you want to call it that, but it certainly is not included nor is it intended to be included under the provisions of this Act. This is to provide compensation to a farmer who presumably has used one of the pesticides in accordance with the recommendations and thereafter his product has been condemned for sale. It is to provide compensation in that kind of a situation.

Mr. Horner: Before pesticides can be sold on the market are they examined by the Food and Drug Directorate?

Mr. Phillips: The pesticides are not examined by the Food and Drug Directorate, they are examined by the Department of Agriculture under one of the other bills that will be before this Committee, the Pest Control Products Act, and it is a requirement of the current Act and the future one that they be efficacious for the purpose intended, and in examining the directions for use the Food and Drug Directorate are consulted to ensure that when used according to directions there will not be residues left.

What has occasionally happened in previous cases, notwithstanding this care, is that a residue has been left, but now that analytic procedures have been developed further you find them when you would not have been able to find them under the procedures 15 years ago. That would be the odd case where, notwithstanding this care, there have been cases of residue.

The Chairman: I recognize Mr. Douglas.

29651—34

[Interprétation]

M. Horner: Donc, prenons l'industrie dans son ensemble. Prenons l'exemple de Sudbury. Quelqu'un qui faisait de la culture dans cette région, il y a quelques années, aurait certainement subi des dégâts très graves. C'était là une détérioration d'un produit. C'est un résidu qui retombe.

M. Barrett: Ce n'est pas directement appliqué.

Une voix: Pas au moyen de pesticides.

M. Barrett: Ce n'est pas directement appliqué. C'est dans l'air; c'est dans vos poumons. C'est dans tout votre être.

Le président: A l'ordre. Monsieur Horner.

M. Horner: Monsieur le président, ne devrions-nous pas penser à faire appliquer ce projet de loi si cela est justifié, à ce cas d'empoisonnement près de l'usine d'engrais chimiques à Dunnville?

L'hon. M. Olson: Monsieur le président, on étudie cet aspect d'une perte, mais il n'est pas prévu qu'elle soit couverte par ce projet de loi. Il s'agit, dans ce cas précis, de fournir des indemnités à des agriculteurs qui avaient appliqué des pesticides tels que recommandés, et qui auraient ensuite subi des dégâts. A ce moment-là, ils peuvent demander une indemnité.

M. Horner: Avant qu'un pesticide soit vendu sur le marché, est-ce qu'il est examiné par la Direction des aliments et drogues?

M. Phillips: Les pesticides ne sont pas examinés par la Direction des aliments et drogues, mais par le ministère de l'Agriculture en vertu d'un autre projet de loi qui sera déferé à ce comité, la Loi sur les produits antiparasitaires. Il est prévu dans cette loi et dans l'autre que les pesticides s'appliquent conformément aux instructions prévues. Dans l'examen du mode d'emploi de ce produit, la Direction des aliments et drogues doit s'assurer qu'aucun résidu ne subsistera.

Ce qui s'est passé dans le passé, c'est que, à l'occasion, malgré ces soins, il y a eu des résidus. On a poussé plus loin la procédure d'analyse; on trouve maintenant des résidus, alors qu'avant on ne pouvait pas le faire, pour des raisons techniques.

Le président: Monsieur Douglas.

[Text]

Mr. Horner: I have one further question. I was going to suggest that perhaps item (e) could be expanded a little to include statements such as those made by Mr. Phillips that these pesticides include the ones referred to by this other Act we are talking about, the Pest Control Products Act. It does not really spell it out here. It is a kind of "chicken and the egg" situation. It seems to me there would be room in clause (e) to detail a little further what is meant by pesticide by referring to this other Act.

• 1100

The Chairman: Mr. Phillips.

Mr. Phillips: My view of it, Mr. Chairman, and I stand to be corrected by Mr. Newman, is that by not referring to that bill this is even broader.

Mr. Newman: Exactly. I think it would stretch the meaning somewhat if you referred to other Acts.

The Chairman: Mr. Horner.

Mr. Horner: Yes. I wonder in the definition of "pesticide" and "residue", and the degradation-product thereof, if any thought was given to the subject of hormones and the residue left after the use of hormones in feeds. Would this qualify? I am thinking of a case where mink were rendered sterile because of hormone residue in the feed. It was not supposed to be there, but it was.

The Chairman: Mr. Phillips will take the question.

Mr. Phillips: The diethylstilbestrol that was referred to is not a pest control product or a pesticide.

Mr. Horner: It would not be covered under this Act?

Mr. Phillips: No, it would not be covered under this Act.

Mr. Horner: Do you not think that it should be covered under this Act? Do you not think that this or similar cases could arise? Should we not perhaps branch out into that field as well?

Mr. Phillips: As Mr. Olson has indicated, the purpose of this bill was to cover two situations where residues could occur and where the Government of Canada could have been involved to a degree in this happening. One is where products were declared ineligible for sale by one agency of the government, and the other is where a product had

[Interpretation]

M. Horner: J'ai une autre question. On pourrait peut-être inclure dans le paragraphe e) des déclarations comme celles faites par M. Phillips, disant que, dans les pesticides, on mentionne également ceux prévus par la Loi sur les produits antiparasitaires. En fait, ce n'est pas très clair ici. Je pense qu'il y a une possibilité de dire clairement quels sont ces pesticides, en faisant référence à l'autre loi.

Le président: Monsieur Phillips.

M. Phillips: Monsieur le président, pour ma part, M. Newman pourra me corriger si je me trompe, je pense qu'on a plus de possibilités en ne faisant pas allusion à l'autre bill.

M. Newman: Exactement. En référant à d'autres Lois, on changerait le sens.

Le président: Monsieur Horner.

M. Horner: Je me demande si, dans la définition de «pesticide», de «résidu» et de «produit résultant de sa détérioration», on a pensé à la question des hormones et des résidus qui subsistent après l'introduction d'hormones dans les produits pour bétail. Je me souviens, par exemple, de visons qui étaient devenus stériles à la suite de la présence de résidus hormonaux dans les produits alimentaires.

Le président: M. Phillips va répondre à cette question.

M. Phillips: Le produit en cause n'est pas un produit antiparasitaire.

M. Horner: Il n'est donc pas visé par la loi?

M. Phillips: Non.

M. Horner: Ne croyez-vous pas que cela devrait relever de la loi? Ne croyez-vous pas qu'il pourrait se produire d'autres occasions du genre?

M. Phillips: Comme l'a dit M. Olson, cette loi visait deux situations où il pourrait se produire des résidus et où le gouvernement du Canada aurait pu être en cause dans une certaine mesure: tout d'abord, lorsque les produits ne peuvent pas être vendus par une agence du gouvernement, et deuxièmement, lorsqu'un produit avait été employé selon le

[Texte]

been used according to directions for a pesticide or pest control product approved under the Pest Control Products Act. It was therefore considered that there was some greater government involvement in this than otherwise and it was considered desirable that this should be covered and compensation provided.

The Chairman: Mr. Peters has a question?

Mr. Peters: In one of the other acts are we going to legislate for analytical uniformity of a particular pesticide? I am thinking of the possibility of writing into this act the right to recourse from a manufacturer if the formula was changed, thereby producing an effect that was not expected. Inspection is not provided for here. Is the right to such recourse intended in another act?

Mr. Phillips: Mr. Chairman, while there is nothing mentioned in that regard in this bill, in the over-all operation of governments and departments in Canada we have checked samples going out to the various analytical agencies working in this field to standardize testing and to assure that each of these laboratories are analyzing in the proper fashion to detect the residue. This is a continuing thing that we do in all our operations in order to keep abreast of analytical procedures.

Mr. Peters: Was there not a case fairly recently which, because seed treatment had changed, resulted in 40 per cent germination rather than the anticipated 90 per cent or 100? Was this not because of a change in pesticide control?

Mr. Phillips: That could have been but, Mr. Chairman, I think that the speaker is referring to more a matter of civil action—in other words, it inhibited the growth of the seed. It is not covered by this. However, you will note as we go along in this bill that if there is doubt about the blame that could be attached to the manufacturer of a pesticide in one of these cases the Minister, if he deems it advisable, could pay compensation without that man going to court. It then also provides that the government could go to court against that man on his behalf. If success in the case is questionable and it seems justified on the other counts, compensation can be paid and action taken to recover, if you will. That is covered in clause 5.

[Interprétation]

mode d'emploi d'un pesticide approuvé par la Loi sur les produits antiparasitaires. Le gouvernement était donc mis en cause plus que normalement, et il serait souhaitable alors qu'il y ait une indemnisation.

Le président: Vous avez une question à poser, monsieur Peters?

M. Peters: Dans l'une des autres lois, est-ce que nous aurons des mesures législatives prévoyant l'uniformité analytique des produits antiparasitaires? Par exemple, nous pourrions peut-être inscrire dans cette loi un droit de recours contre le fabricant si la formule est changée, ce qui produirait des résultats inattendus. En fait, nous n'effectuons pas d'inspection. Avons-nous l'intention d'inscrire un droit de recours dans un autre projet de loi?

M. Phillips: Bien qu'il n'y ait rien de mentionné à cet égard dans le projet de loi, dans l'ensemble des activités du gouvernement et des ministères gouvernementaux, au Canada, nous avons des échantillonnages qui sont envoyés aux diverses agences analytiques, travaillant dans ce domaine, afin d'uniformiser les essais et les tests et de voir à ce que chaque laboratoire effectue ses analyses de la bonne façon, pour essayer de découvrir les résidus; mais c'est une chose que nous faisons tout le temps, afin de nous tenir parfaitement au courant des procédés d'analyse.

M. Peters: Est-ce qu'il n'y a pas eu un cas, récemment où la formule a été changée et où il y a eu 40 p. 100 plutôt que 90 ou 100 p. 100 de semence?

M. Phillips: Je crois, monsieur le président, que l'on parle de recours plutôt en droit civil; en d'autres termes, si la semence ne germe pas ce n'est pas couvert ici, mais si vous continuez l'étude du bill, vous verrez que s'il y a des doutes au sujet du blâme ou de la culpabilité à attribuer aux fabricants de produits antiparasitaires, dans un cas comme celui-ci, le ministre, s'il le juge nécessaire, pourrait verser une indemnité sans qu'il soit nécessaire que cette personne se présente en Cours; alors, le gouvernement pourrait comparaître devant le tribunal en son nom, contre cette personne, et alors, si on trouve d'une part que le geste est justifié, on pourrait verser l'indemnité. C'est ce que prévoit l'article 5.

• 1105

The Chairman: Are there further questions concerning pesticide residue?

Clause 2 agreed to.

On Clause 3—*Minister may pay compensation.*

Mr. Danforth: Mr. Chairman, I note the procedures carried out under clause 3. Clause 3 deals with the discovery by representatives from the Food and Drugs Act of a chemical contained in certain agricultural products which might be deemed to be harmful to human consumption, or perhaps animal consumption as well, and it indicates that the Minister may take steps for compensation.

In some instances it is quite possible for these residues to be retained in the soil and to cause continuing hardship as far as production is concerned. May I enquire of the witnesses here this morning what action is contemplated by government. Will compensation be based on current production and the onus left to the primary producers to make subsequent claims, or will compensation be provided on the basis of the contemplated time that the chemicals will be in a position to restrict production—or will the primary producer in a subsequent year be prohibited from utilizing his land for the production of a specified product? I am interested in the procedure that might be undertaken in these conditions.

Mr. Phillips: Mr. Chairman, this was an area in which we have had to take extreme care with proper drafting. To cover a situation that Mr. Danforth has mentioned, will you note the second last line:

...compensation for any loss occasioned to the farmer...

That would cover the loss associated with this product being ineligible for sale, and subsequent products—in other words if the soil were contaminated. We want to be perfectly clear here. Later it goes on to say that the farmer must take such action to reduce losses. It may well be that the soil could be used for certain purposes and not others. But it is designed to cover the very situation that you have mentioned, Mr. Danforth.

Mr. Danforth: Based on the answer given—and I appreciate it—will the actual compensation be based on one claim, with one pay-

[Interpretation]

Le président: Est-ce qu'il y a d'autres questions maintenant au sujet des résidus des produits antiparasitaires?

L'article 2 est adopté.

Article 3—*Le ministre peut verser une indemnité.*

M. Danforth: Monsieur le président, je remarque que la procédure en vertu de l'article 3 concerne la découverte, par des représentants de la Direction des aliments et drogues, d'éléments nocifs à la consommation humaine ou animale, et on indique que le ministre pourrait prendre les mesures voulues pour accorder des indemnités.

Dans certains cas, il est très possible que ces résidus soient retenus dans le sol et puissent causer des difficultés continues quant à la production; est-ce que je puis demander au témoin quelle mesure entend prendre le gouvernement? Est-ce que l'indemnité sera versée en vertu de la production actuelle et est-ce qu'il appartiendra au producteur de formuler des réclamations supplémentaires, ou est-ce que l'on versera l'indemnité en fonction du tort que ces résidus pourraient causer, ou est-ce que le producteur de base, dans une année subséquente, sera empêché d'employer son sol pour la production d'une denrée agricole quelconque? Je m'intéresse aux procédés qu'on va utiliser dans ces conditions.

M. Phillips: Monsieur le président, c'est un domaine où nous avons dû faire extrêmement attention pour avoir une bonne rédaction. Quant à la situation mentionnée par M. Danforth, vous remarquerez que dans l'avant dernière ligne on dit:

Une indemnité pour toute perte subie par le cultivateur...

Ce qui couvrirait justement le produit que l'on ne peut vendre, ainsi que les produits subséquents, en d'autres termes, si le sol était contaminé. Je veux qu'il soit très clair que, plus loin, on dit que le cultivateur doit prendre telle et telle mesure pour réduire ses pertes, et il se peut fort bien que le sol puisse être employé à certaines fins et non pas à d'autres. Mais l'on veut justement couvrir la situation précise que vous avez mentionnée, monsieur Danforth.

M. Danforth: D'après la réponse que vous m'avez donnée, et je vous en remercie, est-ce que l'indemnisation elle-même se fera en un

[Texte]

ment, rather than on a continuing basis? If a farmer has had his crop contaminated and there is indication of subsequent contamination, will the compensation at that time be regarded as full compensation to the farmer or has he further recourse?

• 1110

Mr. Phillips: My understanding of it, Mr. Chairman, is this. In the drafting we took care of two areas: one was to see that the man got compensation and the other to see that the man could appeal against it. Another was to see that claims are processed as rapidly as possible and recovery made, if need be, in the case of a manufacturer, or for some other reason.

With this design I would contemplate that compensation could be made for year one, if you will, and later year two. Failing that the man would have a claim to an assessor for incomplete compensation.

Mr. Danforth: Then if my understanding of your explanation is correct, the mechanics are written into the bill so that each case can be judged on its merits.

Mr. Phillips: Exactly.

Mr. Pringle: I just wanted to ask a short question. Has any consideration been given to the requirement of posting fields where pesticides are used, stating the dangers of using such fields for the growing of certain products at a future date so that continuing contamination could be at least greatly reduced. Is there any merit to this, or are there problems which negate the suggestion?

Mr. Phillips: Mr. Chairman, we have not thought through all the details that would be necessary in—and we are coming to another section—requiring the farmer to take such care to reduce losses, but your suggestion is a very good one and it should be considered as a means of drawing to the attention of the farmer the necessity for taking care in the use of that field subsequent to its contamination.

The Chairman: Mr. Lessard?

M. Lessard (Lac-Saint-Jean): A l'article 3, paragraphe (1), alinéa b), il est dit ceci, en parlant du ministère, évidemment:

qui, de l'avis du Ministre, a été utilisé conformément aux recommandations faites par un ministère provincial de l'Agriculture, approuvées ou acceptées par le

[Interprétation]

versement pour une seule réclamation, plutôt que de façon continue. Si la récolte d'un cultivateur a été contaminée et qu'il y a un indice de contamination continue, est-ce que l'indemnité, à ce moment-là, sera considérée comme définitive ou aura-t-il le droit d'avoir recours à une autre réclamation?

M. Phillips: Si j'ai bien compris, monsieur le président, dans la rédaction du projet de loi, nous avons bien étudié deux domaines: premièrement, nous voulions faire en sorte que le cultivateur puisse obtenir une indemnité et, deuxièmement, qu'il puisse en appeler. Autre point aussi, que les réclamations soient réglées le plus vite possible pour obtenir au besoin la compensation du fabricant ou autre personne, et alors, à cet égard, nous pourrions, pour la première année par exemple, verser une indemnité et plus tard, pour la deuxième année. Sinon, le cultivateur aurait le droit de faire une réclamation auprès de l'évaluateur, en raison d'une indemnisation incomplète.

M. Danforth: Si votre explication est exacte et si j'ai bien compris, le projet de loi prévoit donc que chaque cause sera jugée individuellement.

M. Phillips: En effet.

M. Pringle: Une autre question très brève. Est-ce qu'on a étudié la possibilité d'indiquer les champs où on emploie des produits antiparasitaires, afin que la possibilité de contamination continue puisse être au moins réduite. Est-ce que cela en vaut la peine?

M. Phillips: Nous n'avons pas étudié tous les détails, qui seraient nécessaires pour exiger que le cultivateur prenne les dispositions voulues pour réduire ses pertes. Mais, votre suggestion est excellente comme moyen d'attirer à l'attention du cultivateur la nécessité de prendre un soin particulier de ce champ à la suite de sa contamination.

Le président: Monsieur Lessard?

M. Lessard (Lac-Saint-Jean): Mr. Chairman, under 3(1) (b) this is what is said:

which in the opinion of the Minister, was used in accordance with recommendations made by the department of agriculture of any province and approved or concurred in by the Department, or in

[Text]

Ministère ou en conformité d'usages recommandés, ordonnés ou acceptés par le Ministère,

Est-ce que je comprends bien que, par ce paragraphe, le gouvernement fédéral accepte donc la responsabilité d'une action ou de recommandations faites par un gouvernement provincial? Il endosse, en somme, l'action du gouvernement provincial puisque c'est l'utilisation recommandée par le gouvernement provincial? C'est bien cela?

Mr. Phillips: The purpose of these words in there is that it is a common occurrence in Canada that recommendations with respect to pesticides are put out by provincial departments, developed by committees on which a federal employee sits, and therefore to that degree there is concurrence. Also, it is a registered pesticide with those directions for use, so there is this double action of concurring, if you will.

Mr. Lessard (Lac-Si-Jean): Does the word "Department" mean the provincial department of agriculture or your department?

Mr. Williams: With a capital "D" it means our department.

Mr. Lessard (Lac-Si-Jean): It is your department?

Mr. Williams: With a small "d" it means the provincial department.

Mr. Phillips: That is important. The word "Department" in Clause 2 is spelled out that way, with a capital "D", and where it occurs that way in print you refer back to that. If it does not have a capital "D" it means some other department.

• 1115

The Chairman: Mr. Peters?

Mr. Peters: As I understand the text, this product has to be registered under the Pest Control Products Act. Do we have a registration mark or an approval mark that we put on these products?

The Chairman: Please use your microphone.

Mr. Peters: Does the Department put a stamp of approval on these after the inspection has been done and where we have registered it as safe to use under certain circumstances?

Mr. Phillips: Mr. Chairman, under the Pest Control Products Act all pesticides that are

[Interpretation]

accordance with practices recommended, directed or concurred in by the Department

Am I right in assuming from sub-paragraph (b) that the Federal Government therefore accept some responsibility for an action or recommendation made by a Provincial Government. It endorses, in other words, the action of the Provincial Government since this is the use recommended by the Provincial Government? Is this correct?

M. Phillips: L'intention de cette expression dans la loi c'est qu'il est d'usage courant au Canada que les recommandations au sujet des pesticides, émises par les ministères provinciaux, sont développées par un comité où siège un représentant du gouvernement fédéral par conséquent, il y a concordance dans ce sens-là. De plus, le pesticide est enregistré et le mode d'emploi clairement indiqué et alors, vous avez cette double mesure d'adoption ou d'approbation.

M. Lessard (Lac Saint-Jean): L'expression, le «ministère» veut-elle dire votre ministère ou le ministère provincial de l'Agriculture?

M. Williams: Ce mot écrit avec un «M» majuscule réfère à notre ministère.

M. Lessard: (Lac Saint-Jean): C'est votre ministère.

M. Williams: Écrit avec un «m» minuscule, il s'agit d'un ministère provincial.

M. Phillips: Non, mais c'est important. Le mot «Ministère», à l'article 2, est épilé de cette façon, avec une majuscule, et à chaque fois où vous le voyez ainsi écrit, c'est du ministère fédéral de l'Agriculture qu'il s'agit. S'il n'y a pas de majuscule, cela veut dire un autre ministère.

Le président: Monsieur Peters?

M. Peters: Si j'ai bien compris, le produit doit être enregistré en vertu de la Loi sur les produits antiparasitaires. Y a-t-il un sceau d'enregistrement ou d'approbation apposé sur ces produits.

Le président: Veuillez vous servir du microphone, s'il vous plaît.

M. Peters: Le ministère appose-t-il le cachet d'approbation après inspection, lorsque le produit a été enregistré et reconnu comme ne présentant aucun danger dans certaines circonstances.

M. Phillips: En vertu de la Loi sur les produits antiparasitaires, tous les produits en

[Texte]

eligible for sale must be registered. The manufacturer has presented evidence in order to establish eligibility for registration, and when the registration mark is on there it is an indication that provided the information is as specified by the manufacturer it is suitable for sale.

Mr. Peters: Could I now ask...

Mr. Phillips: I am sorry, you were referring to the number. There is a registration number on the product.

Mr. Peters: No, it was approval for use under this Act at the strength as provided. I presume that registration and approval are the same thing.

Mr. Phillips: There is a technical difference. We do not accept when a man sells a registered pest control product that we have given government approval in the sense of standing behind it and paying all claims against it. Do you see the difference?

The registration procedure is that it is registered on the basis of evidence presented to us and we have accepted it. However, the evidence may not have been presented correctly, and therefore it was an improper registration. It is in this technical sense that I mean we are not approving.

Mr. Peters: What happens—and I do not know if this is still done because it is a year or two since I farmed—if you use arsenic in bulk in treating cabbage plants, for instance? That is just an example. There must be hundreds of other approved or recommended home remedies for things like potato bugs, cabbage worms, and this sort of thing. What happens in those cases where the Department of Agriculture puts out a bulletin that says that if you use it mixed with so and so to a certain degree and it is applied at such a rate that after a period of two weeks it is acceptable for consumption.

Mr. Phillips: If I understand the question correctly, Mr. Chairman, it is what happens if they do not use it according to directions?

Mr. Peters: No. For instance, if you used arsenic compound on cabbage and there was no rain for a period of time, or some other climatic condition takes place, no dew or anything to wash this off, there would be considerably more residue than if more normal conditions were to exist, and in some cases this

[Interprétation]

vente doivent être enregistrés. Le fabricant doit avoir prouvé qu'il a droit à l'enregistrement; quand la marque d'enregistrement est appliquée, ceci indique que pourvu que les renseignements sont tels que fournis par le fabricant, le produit peut être vendu.

M. Peters: Pourrais-je demander maintenant...

M. Phillips: Vous faites allusion au numéro. Il y a un numéro d'inscription sur le produit.

M. Peters: Je veux dire approuvé en vertu de la Loi, tel que prévu. Je présume que l'enregistrement et l'approbation sont identiques.

M. Phillips: Non, il y a une différence d'ordre technique. Nous n'admettons pas, lorsqu'un homme vend un produit antiparasitaire enregistré, que nous avons approuvé le produit, dans le sens que nous l'endossons entièrement et que nous paierons les réclamations qui pourront être faites en toutes circonstances. Vous saisissez la différence?

La procédure d'inscription signifie que nous l'enregistrons en raison des preuves qui nous ont été données et que nous acceptons. Toutefois la preuve a peut-être été falsifiée et par conséquent l'enregistrement serait faussé. C'est dans ce sens-ci que nous ne l'approuvons pas.

M. Peters: Et alors, qu'est-ce qui se produit, je ne sais pas si cela se fait encore, un an ou deux se sont écoulés depuis que j'ai cultivé lorsque vous employez l'arsenic en vrac, pour les choux, par exemple? C'est un exemple pur et simple. Il doit certainement y avoir des douzaines d'autres remèdes approuvés pour les parasites. Qu'est-ce qui arrive dans ces cas où le ministère de l'Agriculture publie un bulletin pour dire que si vous faites tel et tel mélange et que vous l'appliquez selon telle et telle mesure, après une période de deux semaines la consommation est acceptable. Qu'est-ce qui arrive dans ces cas-là?

M. Phillips: Si j'ai bien compris la question, monsieur le président, c'est qu'est-ce qui se produit si on ne l'emploie pas d'après le mode d'emploi indiqué?

M. Peters: Non, par exemple, si on employait un composé de l'arsenic pour les choux et s'il ne pleut pas pour un certain temps, qu'une autre condition atmosphérique prévaut, il n'y a aucune pluie ou quoique ce soit pour nettoyer ce produit, il y aurait beaucoup plus de résidus que sous certaines

[Text]

might be turned down for marketing purposes. There is no registered pest control involved because it is—

Mr. Phillips: You are covering an unregistered product. That is not covered by this bill.

The Chairman: The bill also deals with beyond the producer's control. It must be beyond his control to a degree.

Mr. Phillips: Yes. In the very first line, you see, it says that it has to be a registered product.

Mr. Peters: This could be beyond the control of the producer in that climatic conditions obviously have an effect.

The Chairman: May I make an observation at this point. If he knew those conditions prevailed and the climate was such that it had not washed off his cabbage, he would then probably be expected to hose them off before he took them to market, so that particular situation that you envisage would not be beyond his control. Mr. Horner?

Mr. Horner: My question follows right on the heels of that. The government attempts to prove that the farmer applied the pesticide correctly before they pay any compensation. In other words, if the government can prove that the farmer was at fault, then no compensation is paid. Am I right in my assumption?

Mr. Phillips: That is correct. You are touching on a very important area and it is more difficult the other way.

Mr. Horner: How do you mean?

Mr. Phillips: It was written in such a way that the Minister did not have to be 100 per cent sure that he used it correctly in order to get compensation. It would be most difficult if you had to prove that he used it correctly.

Mr. Horner: Take the case, though, where the farmer had nothing to do with it at all. I am thinking of wind drifting the pesticide on to one farmers' field because another farmer is spraying in the next field. Would the government attempt to prove that the farmer should not have sprayed on that windy day?

Mr. Williams: Mr. Chairman, I think the answer to that would have to be that it would depend very much on the circumstances. If

[Interpretation]

autres conditions normales et dans certains cas, l'on pourrait peut-être rejeter le produit aux fins du marché. Il n'y a pas de produits antiparasitaires enregistrés dans ce cas-là.

Mr. Phillips: Vous employez un produit non enregistré. Cela n'est pas visé par la loi.

Le président: Et aussi, il faut que cela soit au-delà du contrôle du producteur, c'est indiqué.

Mr. Phillips: Oui, il est dit qu'il faut que le produit soit enregistré.

Mr. Peters: Oui, cela pourrait être au-delà du contrôle du producteur en ce sens que les conditions atmosphériques jouent un certain rôle.

Le président: Puis-je formuler une observation? Si le producteur sait que ces conditions prévalent et que les variations de la température n'ont pas permis que le chou soit nettoyé, alors il serait obligé de le faire lui-même avant de le vendre au marché. Et alors, cette situation à laquelle vous faites allusion ne serait pas au-delà de son contrôle. Monsieur Horner?

Mr. Horner: Ma question est justement supplémentaire à celle-ci. Le gouvernement essaie de prouver que le cultivateur a employé le pesticide de façon correcte avant de payer l'indemnisation? En d'autres termes, si le cultivateur était coupable, le gouvernement ne verserait aucune indemnisation. Ai-je raison, monsieur Phillips?

Mr. Phillips: Oui, vous avez raison. Mais c'est un domaine extrêmement important, c'est difficile dans l'autre sens.

Mr. Horner: Qu'est-ce que vous voulez dire?

Mr. Phillips: Nous l'avons rédigé de façon telle que le ministre n'a pas à être absolument certain que l'emploi a été conforme à la loi afin d'obtenir une indemnisation. Ce serait extrêmement difficile s'il fallait prouver qu'il l'a employé correctement.

Mr. Horner: Supposons, dans le cas par exemple où le cultivateur n'avait rien à voir à cela. Je pense, par exemple, au vent qui aurait transporté le pesticide dans le champ du cultivateur et que le responsable véritable en fût le voisin qui serait en train d'en répandre dans son champ. Le gouvernement essaierait-il de prouver que le cultivateur n'aurait pas dû le faire cette journée-là?

Mr. Williams: Je dois dire que ceci dépendrait, pour une large part, des circonstances. Si la récolte d'un fermier a été endommagée

[Texte]

one farmer had his crop contaminated because of the faulty practice of an adjacent farmer, I think our view would lie that the first action should be a civil action against the person who is using the product in a faulty manner, and not that it was an immediate position for the government to take action.

• 1120

Mr. Horner: I have another question concerning payment. Mr. Phillips, what about the case of the potatoes and the aldrin in British Columbia. The land there became contaminated to such a degree that hardly any farming could be carried on for several years after, if I remember the case correctly. Would compensation be paid to cover the entire loss for the number of years the land was ...

Mr. Phillips: Mr. Chairman, I tried to cover that one in my earlier response, which would cover the situation with this exception that later on it points out that the man must take action to reduce his loss, and that land could be used for something else.

Mr. Horner: You are familiar with the potato case. They attempted to go into dairying. They attempted to go into hay production. The residue showed up in the milk. The residue showed up in the hay. There was a great deal of contamination there for a number of years, if I remember rightly.

Mr. Phillips: Yes, Mr. Chairman, but they could have produced potatoes. This was a case of the slight residue that was a problem building up in the fat of animals, which is a progressive thing. There is a very minute, if any, residue in potatoes. But in the first instance they fed cull potatoes that contained a minute residue. But through feeding and feeding, it was retained in the fat, and it built up. In the first instance, in that case, the Department took the cattle to determine how long it would take to get rid of that, and we found that in about six weeks it would get out of the fat in the milk. So there is a distinction between a residue in a plant product and a residue in milk, because of the build-up in the fat.

Mr. Horner: Is there any limit to the amount of compensation that will be paid to any given applicant?

Mr. Olson: Mr. Chairman, there is a provision in this Act for the Governor in Council to make regulations. It is in the next clause,

[Interprétation]

par suite d'une action blâmable de son voisin, notre idée serait que la première chose à faire devrait être pour nous d'intenter une poursuite judiciaire contre la personne qui ne se conforme pas aux règles et non pas que c'était la première attitude pour le gouvernement de prendre action.

M. Horner: Autre question au sujet du versement. Dans le cas des pommes de terre et de l'aldrine en Colombie-britannique; le sol y était contaminé à tel point qu'on pouvait à peine faire quelque culture que ce soit pendant plusieurs années, si je me souviens bien. Est-ce que l'indemnisation serait payée pour absorber la perte entière pour le nombre d'années où cette terre...

M. Phillips: Monsieur le président, j'ai essayé de répondre à cette question plus tôt, ma réponse couvrant la situation, sauf que plus tard elle souligne que le cultivateur doit prendre les mesures voulues pour réduire ses pertes et que la terre peut servir à d'autres fins.

M. Horner: Vous êtes au courant du cas des pommes de terre. Ils ont tenté la production du lait. Ils ont tenté la production du foin. Les résidus sont apparus dans le lait. Les résidus sont apparus dans le foin. Il y a eu beaucoup de contamination pendant plusieurs années, si je me souviens bien.

M. Phillips: Oui, monsieur le président, mais ils auraient pu faire la culture des pommes de terre. Il s'agissait de quelques légers résidus qui créaient un problème parce qu'ils s'accumulaient dans la graisse des animaux, une réaction progressive. Il y a très peu de résidus dans les pommes de terre. Dans le premier cas, ils ont nourri les animaux avec des pommes de terre de rebut qui contenaient de légers résidus. Mais par suite de la constance de cette nourriture, les résidus ont été retenus dans la graisse et se sont accumulés. Dans le premier cas, le ministère a pris les troupeaux pour établir le temps nécessaire à la disparition de ces résidus, et on a découvert qu'il fallait environ six semaines pour qu'ils disparaissent du gras de lait. Il y a donc une différence entre les résidus dans les plantes et ceux du gras de lait, à cause de l'accumulation dans la graisse.

M. Horner: Y a-t-il une limite à l'indemnité qui serait versée à une personne donnée?

L'hon. M. Olson: Monsieur le président, il y a une disposition dans le projet de loi pour que le gouverneur en conseil puisse établir

[Text]

and I think that in those regulations we ought to take into account some maximum. Insofar as compensation is concerned, perhaps it should be a percentage of the loss that is assessed. I do not think that we should be paying 100 per cent of the losses because, as in many other acts that we have, such as the Animal Contagious Diseases Act and so on, we should not in my view have compensation high enough so that it could in any way be profitable to have this problem. So, for example, under the clause prescribing the minimum amount of loss ...

An hon. Member: Clause 3 (3) and Clause 3 (4).

Mr. Olson: ...we may prescribe both the minimums and the maximums. But in general, I think it should be something less than 100 per cent of the loss occasioned by the residue to any farmer.

• 1125

Mr. Horner: You are not going to suggest to the Committee what that percentage would be? Would it be uniform in all cases? I think we should know.

Mr. Olson: I think we have to take into consideration the number of varying factors that would be involved. But generally speaking, I think that it ought to be somewhat the same as crop insurance, for example, around 80 per cent of the loss.

The Chairman: Mr. Peters, did you have a question? You have been waiting. I recognize Mr. Korchinski. I will come back.

Mr. Korchinski: What about the minimum? What is your thinking along the lines of the minimum here?

Mr. Olson: Mr. Chairman, we have no plans at the moment for setting any particular figure. But we can see the possibility of having the need for a minimum in case we are flooded with trivial claims.

Mr. Korchinski: The other question that I have in mind at the moment is in regard to the previous owner. Take for example an owner of land that has been contaminated who suddenly gets fed up with the idea that he has a contaminated field and decides to sell out. Maybe he passes on or has to sell, or a sale has to be made. In that case and if a new owner comes in, what is the procedure here? Would the Department come in and tell the new owner what he may do on that par-

[Interpretation]

des règlements. C'est dans le prochain article et je crois que dans ces règlements, nous devrions tenir compte d'un maximum. En ce qui concerne l'indemnisation, on devrait peut-être l'établir sous forme de pourcentage de la perte évaluée. Je ne crois pas que nous devrions verser 100 p. c. des pertes, comme dans plusieurs autres lois que nous avons, comme par exemple la Loi sur les épizooties et ainsi de suite, à mon sens, nous ne devrions pas avoir une indemnisation tellement élevée qu'il soit profitable de souffrir de ce problème. Par exemple, en vertu de l'article qui établit le montant minimum de la perte...

Une voix: L'article 3(3) et l'article 3(4).

L'hon. M. Olson: Nous pouvons établir les minimums et les maximums. Mais, en général je crois qu'on devrait l'établir à moins de 100 p. c. de la perte totale causée par les résidus à tout cultivateur.

M. Horner: Avez-vous l'intention de dire au Comité quel serait ce pourcentage? Est-ce qu'il serait uniforme dans tous les cas? Je crois que nous devrions le savoir.

L'hon. M. Olson: Je crois qu'il faut tenir compte d'un certain nombre d'éléments divers qui entrent en jeu. En général cependant, je crois que nous pourrions dire que ce serait à peu près la même chose que l'assurance-récolte, par exemple, 80 p. c. de la perte.

Le président: Monsieur Peters, avez-vous une question à poser? Vous avez attendu. La parole est à M. Korchinski. Je reviendrai.

M. Korchinski: Qu'est-ce qui arrive au minimum? Que pensez-vous du minimum mentionné ici?

L'hon. M. Olson: Monsieur le président, nous n'avons pas de projets définitifs à l'heure actuelle quant au chiffre, mais nous entrevoyons la possibilité d'avoir un minimum au cas où il y aurait des petites réclamations.

M. Korchinski: L'autre question qui me vient à l'idée à l'heure actuelle concerne le propriétaire antécédent. Prenons, par exemple, le cas d'un propriétaire d'un terrain qui a été contaminé qui décide tout d'un coup qu'il en a assez et décide de vendre. Il est peut-être, décédé ou il est forcé de vendre, ou une vente doit être faite. Dans ce cas-là, si un nouveau propriétaire se présente quelle est la procédure? Est-ce que le ministère va dire au nouveau propriétaire ce qu'il peut faire sur ce

[Texte]

ticalar land for a few years? Or does the new owner take a risk on his own, thinking that perhaps the contamination has dwindled and will not be as serious as it had been previously, and go ahead and then find out later that there was more contamination than he had realized? What is the procedure here? What would one have to do in this case?

Mr. Olson: We will have to give some consideration to the situation where there is residue in the land that will show up in contamination for a long period of time, indeed for several years. However, if we make a settlement for compensation that includes certain types of farming practices that must be followed, following the payment of that compensation—this is part of the settlement that that would be attached to the land—I think that any new owner or purchaser of that land ought to be aware of the conditions.

I am not certain where the departmental responsibility would be in making it well known to some new owner that there were conditions laid down in the use of that land. If, for example, a situation arose where the land was sold and the new owner was unaware of a claim having been paid with an agreement for future use of the land until the residue had passed out of existence, that is a situation about which I am not quite sure what we would do. But certainly I think that if we made a settlement with conditions attached, it ought to be known to any new purchaser that a caveat, if you like, is against the land.

Mr. Korchinski: Since you are prepared to make it known, let me give you a case where a man passes on. Even though it may be his intention to reveal this information to any purchaser, if he passes on, that is it. I can visualize some difficulties here with the Land Titles Office, who may not necessarily accept this type of document or whatever you may decide to draft and attach it to any title. I do not know whether you are within legal boundaries. Perhaps it is a legal question.

The Chairman: Would this not have to be tested in the court to decide whether the vendor actually knew that the land was contaminated prior to the sale, and whether or not the purchaser would have recourse? I think you would have to test that one in the courts.

Mr. Olson: I think, too, Mr. Chairman, that Mr. Korchinski will find that this kind of situation is provided for in Section 5.

[Interprétation]

terrain particulier pendant un certain nombre d'années? Ou est-ce que le nouveau propriétaire prend le risque lui-même, pensant peut-être que la contamination a diminué, qu'elle ne sera pas aussi sérieuse qu'elle l'avait été auparavant, ou est-ce qu'il doit faire un effort pour savoir s'il y avait plus de contamination qu'il ne le croyait? Quelle est la procédure? Qu'est-ce qu'il doit faire?

L'hon. M. Olson: Il nous faudra nécessairement étudier une situation où les résidus dans le terrain contamineront pendant longtemps, pendant un certain nombre d'années. Toutefois, si nous accordons une indemnité qui comprend certaines méthodes de culture qui doivent être suivies, après le versement de l'indemnisation, cela fait partie du règlement joint au terrain. Et alors, tout nouveau propriétaire ou acheteur de ce terrain devrait être au courant des règlements en vigueur pour le terrain.

Je ne sais pas quelle serait la responsabilité du ministère quant à la diffusion de ces renseignements à un nouveau propriétaire qu'il y avait des règlements ou des restrictions quant à l'emploi du terrain. Si, par exemple, le terrain était vendu et que le nouveau propriétaire ne saurait pas qu'il y avait eu indemnisation et un accord conclu pour l'utilisation future du sol jusqu'à la disparition des résidus, voilà une situation où je ne sais pas trop ce que nous ferions. Mais je crois que s'il y avait un règlement comportant des conditions, les conditions devraient être communiquées au nouveau propriétaire, à savoir qu'un caveat, si vous voulez, pèse sur la propriété.

M. Korchinski: Étant donné que vous êtes prêt à nous en informer, permettez-moi de citer le cas, par exemple, du décès du propriétaire. Il avait peut-être l'intention de communiquer ces conditions à un acheteur, mais s'il décède, c'est tout. Je puis m'imaginer certaines difficultés au greffe des titres qui n'accepterait pas nécessairement ce genre de document ou tout autre document que vous pourriez décider de rédiger ou d'attacher aux titres du terrain. C'est peut-être une question juridique qui devrait être réglée.

Le président: Cette question n'aurait-elle pas été décidée en cour à savoir si le vendeur savait réellement que le terrain était contaminé avant la vente et si l'acheteur avait un certain recours? Je crois qu'il nous faudrait peut-être présenter cette cause devant un tribunal.

L'hon. M. Olson: Je pense également, monsieur le président, que M. Korchinski verra que l'on trouve une réponse à cette question à l'article 5.

[Text]

Mr. Korchinski: I will look at it later. I was just going to ask one other thing. In the event that the conditions the Department sets out are met, and a new purchaser does take over and does grow crops again, in that case there will be further compensation regardless of any lump sum that may be agreed upon by a previous owner?

• 1130

Mr. Olson: No, Mr. Chairman. I do not think we could give an undertaking that that would happen, because all of that would have to be related to the settlement of the compensation and the terms and condition of that settlement.

Mr. Korchinski: I would assume that certain conditions would be that one does not grow certain crops, as in the case where it was suggested that potatoes could be grown but not necessarily feed for cattle. So this would be one of the conditions under which one could proceed, producing certain items or products. This condition having been set out by the Department that a person can proceed with growing potatoes, then I would think that there might be a case against the Department for further compensation by a new purchaser. Would there not?

Mr. Olson: As the Chairman has pointed out, I do not think that a settlement would be null and void if the land had changed hands in so far as the Department is concerned after having paid compensation and settled.

Mr. Korchinski: What happens then? Does the land lay vacant for a period of years until the Department comes along and says, "Who pays the taxes on it?"

Mr. Olson: You are raising another problem now.

Mr. Korchinski: It is one that quite conceivably could come up and has come up.

Mr. Olson: It seems to me if a purchaser of land obtained a piece of land that was in this category, that in so far as settlement is concerned there would be grounds for a civil action that someone had sold a piece of land which was misrepresented as to what it could be used for, if that is what happened subsequently. However, there are other situations, as Mr. Phillips has explained, where new technology may show that residue was present and that information was unobtainable at the point in time when the settlement was made. That is a different situation. There is

[Interpretation]

M. Korchinski: J'en lirai le texte plus tard. Je voulais simplement demander une autre chose. Si on répond aux conditions établies par le ministère et qu'un nouvel acheteur prend la suite et fait de nouvelles récoltes, à ce moment-là, il y aurait d'autres indemnités, indépendamment de la somme forfaitaire qu'il aurait pu être convenue avec l'ancien propriétaire?

L'hon. M. Olson: Non, monsieur le président. Je ne pense pas que nous puissions nous engager dans ce sens, parce que tout cela devra être lié aux règlements des indemnités et des conditions-règlements précisément de ces indemnités.

M. Korchinski: Je suppose que ces conditions seraient que certaines cultures ne soient pas faites, et c'est là, par exemple, si les cultures ne sont pas faites comme dans le cas où on a suggéré qu'on pousse des pommes de terre, mais non nécessairement comme provende. Il pourrait y avoir ce genre de conditions qui permettrait la production de certains articles ou produits. Cette condition ayant été fixée par le ministère, une personne peut récolter des pommes de terre. Il pourrait peut-être y avoir alors une demande supplémentaire d'indemnités par le nouvel acheteur.

L'hon. M. Olson: Comme l'a souligné le président, je ne pense pas qu'un règlement en versements serait nul et non avenue si le terrain changeait de main du point de vue du ministère, une fois qu'il aura payé les indemnités?

M. Korchinski: Alors, qu'est-ce qui se passe? Le terrain reste-t-il vacant jusqu'à ce que le ministère demande à qui il appartient de payer les taxes?

L'hon. M. Olson: Vous soulevez là un autre problème.

M. Korchinski: Un problème qui peut fort bien surgir et qui d'ailleurs s'est déjà produit.

L'hon. M. Olson: Il me semble qu'un acheteur qui aura acquis un tel terrain pourrait, du point de vue du règlement des indemnités, tenter une poursuite parce qu'on lui aurait vendu une parcelle de terrain sous de fausses représentations tout au moins quant à l'usage qu'il peut en faire. Mais il y a des cas, comme l'a dit M. Phillips, où les techniques nouvelles peuvent prouver l'existence de résidus alors que ces renseignements étaient inaccessibles lorsque le règlement est intervenu. C'est là une situation différente; il n'y a pas de fausse représentation dans ce cas-là.

[Texte]

no misrepresentation involved in that kind of a situation.

Mr. Korchinski: This is the type of situation that could render our whole community quite useless in the sense of producing anything for a period of years. There are a lot of possibilities here. The Department says you do not grow it and the Food and Drug Act says you do not sell it, and according to the regulations you must pay your taxes. You must maintain it, otherwise you cannot retain the land.

Mr. Olson: That may be, but I think if you are talking about whole communities it certainly would be a well known fact in that community that the Food and Drug Directorate had in fact condemned a product for sale from that community, if the technology was advanced to the point where they could detect it at that point in time. So, I do not see any possibility of that situation arising.

The Chairman: Mr. Peters, Mr. Southam and Mr. Gleave.

Mr. Horner: Will you put my name down there as well?

Mr. Lind: Pardon me, Mr. Chairman, but I would like to speak on a point of order. Are we going to allot in rotation here as we put our names down, or...

The Chairman: Did I have your name down?

Mr. Lind: No, but I was just wondering if we should not establish early in this matter a rule about how long we have to talk and about rotating and in what order.

The Chairman: I am making a list of questioners as they indicate their desire to ask questions and then I try to recognize them in that order. If I overlook someone, I am sorry. I would ask you to draw my attention to it and make sure I know about it. I think, in order to make progress, that the Chair must not be too difficult to get along with and I will endeavour to be as fair as I possibly can. I will now recognize Mr. Peters, Mr. Gleave, Mr. Southam and Mr. Horner. Mr. Peters.

Mr. Peters: Mr. Chairman, I cannot think of any cases in my area where this has been a problem. How extensively is this problem developing in connection with this bill? Has there been a considerable record of loss in various fields because of the improper use of pesticides, or are they fairly specific and limited in scope? I cannot think of any cases

[Interprétation]

M. Korchinski: Cette situation pourrait, du point de vue production, rendre une région inutile durant plusieurs années. Le ministère peut dire: «Vous ne cultivez rien ici», la Loi relative aux aliments et drogues ajoute: «Vous ne le vendrez pas», et pendant tout ce temps vous devez payer vos taxes.

L'hon. M. Olson: Peut-être, mais si vous parlez d'une région entière, la population de cette région saura certainement que la Direction des aliments et des drogues a interdit la vente d'un produit cultivé dans cette région, si la technique moderne a progressé au point de permettre un tel jugement. Je ne vois donc pas comment cette situation peut survenir.

Le président: M. Peters, M. Southam, M. Gleave.

M. Horner: Veuillez ajouter mon nom.

M. Lind: J'invoque le Règlement, monsieur le président. Allons-nous parler dans l'ordre où nous avons demandé la parole, ou...

Le président: Aviez-vous demandé la parole?

M. Lind: Non. Je me demande si nous ne devrions pas établir, dès le début, un règlement qui fixerait la durée de nos interventions et l'ordre dans lequel nous pouvons prendre la parole?

Le président: Je note les noms de ceux qui désirent poser des questions au fur et à mesure qu'ils me font connaître ce désir et je m'efforce ensuite de leur accorder la parole selon cet ordre. Si j'oublie quelqu'un je vous prie de m'en excuser. Veuillez vous assurer que vous avez réussi à attirer mon attention. Je pense que pour progresser il ne faut pas être trop pointilleux et, je vais m'efforcer d'être aussi juste que possible. Je donne donc la parole à M. Peters, M. Gleave, M. Southam et M. Horner. Monsieur Peters.

M. Peters: Je ne vois pas de cas où cela ait causé des difficultés dans ma région. Dans quelle mesure la situation évolue-t-elle dans ce sens? Est-ce qu'il y a une répétition de ces pertes en raison du mauvais usage qui est fait des insecticides ou les dégâts sont-ils limités? Je ne puis voir aucun cas qui ait suscité un problème dans ma région et c'est pourquoi je

[Text]

in my area where this has been a problem and I am just curious about the extent of compensation. Is this going to be an expensive piece of legislation?

• 1135

The Chairman: Mr. Williams will comment on the prevalency of this.

Mr. Williams: Mr. Chairman, if I might say a word on this particular aspect of it. I think the cases fall into two broad categories. One is what might be called incidental contamination, and this happens from time to time. Usually the commodity is found somewhat remote from the farm and sometimes it is rather difficult to identify at that point. It may be in a mixed load of something, in which case it may simply be destroyed or withheld from the market and sent back for washing, or something of that nature. This happens sporadically with a frequency that is very, verly low. I would not want to say how many cases there have been in the last year, but I would think they would be easily numbered on the fingers of one hand.

We have had two other cases. One is the one to which reference has been made in British Columbia, where there has been a known source of contamination. It represented a situation that developed because of increased knowledge and increased technology as the real science of pesticides grew. The other one is much more difficult in that as yet the source of contamination is not known, but it is also a rather serious one in terms of the individual farm in that apparently the whole farm is contaminated, or at least the products coming from the entire farm are contaminated. So, in fact, we really have two cases on the record book where we have had the sort of situation that has been described here, where apparently a farm is contaminated.

The other ones, as I say, represent more incidental contamination. It is probably the sort of thing you spoke about where weather conditions did not change fast enough, or something of this nature. Those are not difficult and in general are dealt with. The other ones are the difficult ones. We do not consider that the incidence of this will be great at all. It is our hope, however, that with this Act there will be a great deal more confidence in the ability of our agricultural community to use these pesticides in accordance with the recommended methods, knowing that if they do use them in that way and they do get in trouble there will be an Act to protect them. But by no stretch of the imagination do we believe that the incidence is great. Actually our estimate within the departmental boun-

[Interpretation]

me demande quelle en est l'étendue. Cette loi entraînera-t-elle des déboursés d'importance?

Le président: M. Williams va nous dire quelques mots à ce sujet.

M. Williams: Disons qu'il y a deux grandes catégories. Il y a ces contaminations accidentelles qui se produisent de temps à autre. Règle générale, le produit est retracé loin de la ferme et peut difficilement être identifié. Il peut être mêlé à d'autres produits: il sera alors détruit ou retiré du marché et envoyé pour être lavé ou pour subir un autre traitement. Ceci ne se produit que très peu souvent. Je ne me risquerais pas à vous dire combien de cas il y a eu, l'année dernière, mais on peut certainement les compter sur les doigts d'une seule main.

Il y a eu, par contre, deux autres cas. Un cas, auquel on a fait allusion en Colombie-Britannique, où il y a eu contamination qui a été décelée à la suite de l'augmentation des connaissances techniques et des méthodes d'analyses techniques, au fur et à mesure que la science des pesticides se développait. L'autre cas est plus difficile à préciser parce qu'on ne connaît pas encore la source de la contamination. La situation est grave parce que toute la ferme est contaminée ou, du moins, tous les produits qui en proviennent le sont. Nous connaissons donc deux cas de contamination de fermes.

Les autres comme je vous l'ai dit représentent plutôt des contaminations incidentes. Il s'agit de ces cas dont vous avez parlé où, par exemple, les conditions atmosphériques n'ont pas changé assez rapidement. Ces situations, qui ne sont pas difficiles, ne posent pas de problème. Les autres cas sont plus difficiles à résoudre mais leur nombre ne devrait pas augmenter. Nous espérons que les agriculteurs auront davantage confiance dans ces pesticides et qu'ils les utiliseront sachant que la Loi les protégera s'ils devaient se trouver en face de certaines difficultés après les avoir utilisés selon les méthodes prescrites. C'est loin d'être un chiffre officiel mais nous croyons que ce programme pourrait coûter \$100,000 par année.

[Texte]

daries for the purposes of this Act is that the total cost per year will be something in the nature of \$100,000, but that is very much an off-the-top-of-our-head estimate.

The Chairman: Gentlemen, I would like the agreement of the Committee on one thing; that is, if we would start our meetings promptly and conclude at a pretty well specified time. I would propose to the Committee that we conclude our considerations at 11.45. If we were in a position to conclude our consideration of Clause 3, that would be fine. If not, then of course it would be held over. Does that meet with the general approval of the Committee?

An hon. Member: Agreed.

The Chairman: I recognize Mr. Gleave.

Mr. Gleave: I would like to pursue two matters. I am sorry I had to be out for a few minutes but my understanding, Mr. Chairman, was that this bill dealt with compensation for products. Am I wrong in this? I judge from the tenor of the discussion that it is considered that this bill also deals with the contamination of land, of real property?

Mr. Olson: Mr. Chairman, may I refer Mr. Gleave to the last few lines of Section 3 where it says that the Department may pay compensation for any loss occasioned to the farmer by reason of such pesticide residue, which I think goes somewhat beyond, and it is intended that way, the specific product that has been offered for sale at that point.

Mr. Gleave: If that is the case, I really do not know where you end. Pesticides contaminate land and they also contaminate water. Water flows. If those people concerned have really come to a conclusion on how they are going to assess this type of compensation and the full implications of it, all right, but this is what occurs to me. I have seen this happen.

• 1140

With regard to the rates of compensation, I think in terms of products the compensation should approach 100 per cent; possibly not the full 100 per cent but certainly 90 per cent because in this type of Act we are taking the position that the individual farmer is an innocent person. That is, we are taking the position that he used these chemicals in good faith, assuming that there would be no bad effects on the product, and therefore if he loses all or a part of his product he is an innocent person, and therefore I would think his compensation should approach the 100 per cent. Maybe not completely, but certainly 90 per cent.

29651—4

[Interprétation]

Le président: Messieurs, j'aimerais avoir l'accord du comité sur un point, c'est-à-dire que nous puissions commencer nos séances à l'heure et les terminer à une heure prédéterminée. Je propose que la séance prenne fin à 11h45. Si nous pouvons terminer l'étude de l'article 3 d'ici là, tant mieux. Sinon, nous continuerons plus tard. Qu'en dites-vous?

Une voix: D'accord.

Le président: Monsieur Gleave.

M. Gleave: J'ai cru comprendre, monsieur le président, que ce projet de Loi porte sur les indemnités pour les produits, ou est-ce que je me trompe? D'après la teneur des discussions il me semble que ce projet de Loi couvre également les indemnités portant sur les terrains contaminés?

L'hon. M. Olson: Monsieur si vous vous reportez à l'article 3, il y est dit que le ministre peut accorder une indemnité à un cultivateur, pour les pertes qu'il a pu subir parce que les résidus de pesticides ont provoqué certains effets imprévus.

M. Gleave: Eh bien, si c'est le cas, j'ignore où l'on va s'arrêter alors? Les pesticides contaminent le terrain et l'eau. Et l'eau coule. Si les personnes en cause en sont arrivées à une conclusion sur la façon d'établir la compensation dans ce cas, tant mieux.

Pour ce qui est du degré de compensation, lorsque l'on songe aux produits, je crois qu'il devrait être de près de 100 p. 100. Peut-être pas 100 p. 100 mais tout au moins de 90 p. 100 parce qu'au terme de cette loi, nous considérons que le fermier est innocent. Ce que nous disons c'est qu'il a utilisé ces produits chimiques de bonne foi en supposant qu'ils n'auraient aucun effet secondaire sur le produit. Donc, s'il perd son produit en tout ou en partie, il est innocent et par conséquent, je pense que l'indemnité devrait avoisiner les 100 p. 100. Peut-être pas 100 p. 100 mais au moins 90 p. 100.

[Text]

Market values are pretty rough and settlements are pretty rough even if you go at 90 per cent. I recall buying a group of feeder cattle one time and they were condemned in the stockyards. I paid for the feeder cattle and somebody sold them for half of that, and that was the settlement I got.

I think that compensation should go up around 90 per cent at least, as a minimum.

Mr. Olson: Mr. Chairman, I am of the opinion that it should be something less than 100 per cent. We have suggested that we were thinking in the same terms as crop insurance, for example. Not that they are related, but it must, in my opinion, not be profitable to have goods or products condemned.

Referring to the other part of your question, I think it is well to bear in mind the spread of the pesticide through water-flowing and that sort of thing. Before any compensation can be made under this Act, the product must be condemned by the Food and Drug Directorate. Following that we must be satisfied, not necessarily having absolute proof but at least satisfied, that the farmer used the pesticide in accordance with the recommendations. Then I think we follow your argument that the farmer becomes an innocent victim if he has done it in good faith and is prohibited from selling his product. But even under those circumstances it is my opinion that it would not be advisable to pay 100 per cent loss.

Mr. Gleave: I do not think that it compares to insurance. This is not an insurance.

Mr. Olson: This is compensation.

Mr. Gleave: Right, and that is not insurance. You are proposing to compensate individuals or groups because certain things happened over which they had no control.

There is one other point that I would like to raise, and it concerns the amount of investigation that is made before a decision is taken in regard to the release of pesticides. I think there have been pesticides and chemicals released that possibly should not have been released. In releasing a chemical we are making an evaluation. To put it brutally, you are making an evaluation that it is better to release certain chemicals to kill grasshoppers than to allow them to eat, let us say 10 per cent of the crop area in the province of Saskatchewan, or Alberta, or Manitoba. You have decided that it is better to release diel-drin than to let the grasshoppers eat this much crop. These are evaluations that we are making, and I am concerned that most of our emphasis has been upon chemicals.

[Interpretation]

La valeur commerciale est une valeur assez difficile à suivre et il peut y avoir des cas avec du bétail où on n'a eu que la moitié du produit. Je pense que ça devrait être 90 p. 100.

L'hon. M. Olson: Monsieur le président, pour ma part, je pense que cela doit être inférieur à 100 p. 100 d'après moi, il ne serait pas utile que l'on fasse, que l'on pénalise en quelque sorte ces produits.

D'autre part, je pense qu'il est bon de tenir compte de dissémination des pesticides par l'eau, etc, et il faut que le produit ait été condamné avant qu'une indemnisation soit accordée. A la suite de quoi, il faut nous assurer, non pas avoir la preuve totale, mais il faut s'assurer que le cultivateur a utilisé le pesticide comme il en avait reçu instructions. Nous partageons alors votre avis, à savoir que le cultivateur est une victime innocente. S'il a agit de bonne foi et qu'il ne puisse pas vendre son produit. Mais même dans ce cas, je pense pour ma part qu'il ne serait pas souhaitable de payer 100 p. 100.

M. Gleave: Je ne pense pas que cela puisse se comparer à une assurance, ce n'est pas une assurance.

L'hon. M. Olson: C'est une indemnité.

M. Gleave: Vous envisagez d'indemniser des individus ou des groupes d'individus à la suite d'événements dont ils n'étaient pas responsables.

J'aimerais soulever également une autre question. Autre point: l'enquête effectuée avant que soit prise la décision d'autoriser la commercialisation des pesticides. Je pense qu'il y a eu des cas où les pesticides avaient été commercialisés alors qu'ils n'auraient pas dû être mis sur le marché. Au moment de la mise sur la marché il y a une évaluation. Par exemple, vous faites une évaluation selon laquelle, par exemple, il est préférable de mettre sur le marché un produit qui va détruire les sauterelles plutôt que de les laisser détruire 10 p. 100 de la récolte de la Saskatchewan. Ce qui m'inquiète c'est que jusqu'à présent, on s'est surtout intéressé aux produits chimiques.

[Texte]

• 1145

How much time and money are we spending investigating other methods of control, biological control, upon which there has been a fair amount of work done? Are we being rigid enough before we release certain chemicals? Are we being thorough enough in knowing what's going to happen before we permit a company to release a chemical. I would like to know from the Minister or the Deputy Minister how much work is being done on this, either in his Department or by the Food and Drug Directorate, in these investigative areas.

Mr. Olson: Mr. Chairman, that I suppose will always be a matter of opinion. But it is our opinion that with the evidence provided to us by any company wishing to register a pesticide, if it is used according to the recommendations and based on the evidence that we have that it is safe—this does not rule out 100 per cent the possibility of some risk being involved—we have to do what you have suggested, that is to make an assessment on balance as to the beneficial use of this in relation to the risks. Certainly in many cases if it is not used according to the recommendations, then the risk factor is much greater. But our registration and approval for that particular product to be sold is based on the farmer using it properly.

It is a matter of opinion whether enough is being done. We are certainly trying to keep abreast of the technological developments all the time.

Mr. Gleave: Can we have information put before the Committee in due course as to how much in terms of man-hours and money is being spent by the Department of Agriculture or the Food and Drug Directorate to investigate and examine these products prior to release? How much was spent in 1966, 1967, 1965, and how much is being spent in 1968, and so on. Can we have this information?

Mr. Olson: I think that could be made available.

The Chairman: Thank you, gentlemen. I thank you for the constructiveness with which we approached our deliberations. I hope that we may be able to start promptly at 9.30 on Thursday morning. Clause 3 stands.

The meeting is adjourned.

Mr. Cobbe: Mr. Chairman, have you established a definite time of 11.45? Or is this in order to arrange your other work? Is this permanent?

29651—4½

[Interprétation]

Combien de temps passons-nous, quelle somme dépensons-nous à étudier d'autres méthodes qui ont fait l'objet de recherches? Dans quelle mesure sommes-nous aussi rigides, aussi catégoriques avant d'autoriser certains produits? Combien de vérifications y a-t-il eu de faites sur certains autres produits? Je veux demander au ministre ou au sous-ministre ce qui est fait dans son ministère ou dans la Direction des aliments et drogues dans ces autres domaines.

L'hon. M. Olson: Eh bien, monsieur le président, cela, c'est toujours une question qui varie selon les avis mais d'après nous, pour nous, nous agissons en fonction des renseignements qui nous sont fournis par une société qui veut que ce pesticide soit enregistré, sur la base des témoignages dont nous disposons, si on s'aperçoit que c'est là quelque chose de sûr, de valable et si nous ne sommes pas 100 p. 100 sûrs à ce moment-là, il faut faire comme vous le dites, une évaluation sur les avantages que l'on tirera par rapport aux risques que cela implique. Certainement, si l'usage du produit n'est pas fait conformément aux instructions, certainement le risque est plus élevé. Mais notre approbation, notre homologation du produit reposent sur une utilisation correcte du produit par le cultivateur et de toute façon nous cherchons à rester à la hauteur de l'évolution technique.

M. Gleave: Est-ce que nous pourrions savoir combien d'heures de travail, combien de sommes d'argent ont été dépensées par le ministère ou par la Direction des drogues et aliments sur l'étude des produits avant leur homologation, en 1966, 1967, 1965 et 1968?

L'hon. M. Olson: On pourrait fournir ces renseignements.

Le président: Merci, messieurs. Je vous remercie de la manière constructive dont nous avons abordé nos travaux ce matin. J'espère que nous pourrions commencer ponctuellement à 9.30 jeudi matin.

Article 3, réservé.

Merci, messieurs, la séance est levée.

M. Cobbe: Monsieur le président, avez-vous fixé 11 h 45? Ou est-ce pour tenir compte de vos autres obligations? Est-ce une décision permanente?

[Text]

The Chairman: If the Committee concurs. If we are here at 9.30 assuming that the meeting is called for that time and we sit for two hours and a quarter, that is a pretty fair sitting, and then it is about time to adjourn. We will try and follow that pattern, insofar as possible.

Mr. Cobbe: Thank you.

[Interpretation]

Le président: Si le comité se réunit à 9 h 30, que nous siégeons deux heures un quart, ce sera une bonne séance, à l'issue de laquelle il sera temps de s'arrêter. Nous essaierons d'observer ce programme, dans la mesure du possible.

M. Cobbe: Merci.

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OFFICIAL BILINGUAL ISSUE
HOUSE OF COMMONS

First Session

Twenty-eighth Parliament, 1968-69

FASCICULE BILINGUE OFFICIEL
CHAMBRE DES COMMUNES

Première session de la

vingt-huitième législature, 1968-1969

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STANDING COMMITTEE

ON

COMITÉ PERMANENT

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 13

THURSDAY, JANUARY 23, 1969

RÉUNION DU JEUDI 23 JANVIER 1969

Respecting

Bill C-155, the Pesticide Residue
Compensation Act

Concernant

Bill C-155, Loi sur l'indemnisation pour
dommages causés par les pesticides

Appearing:

The Honourable H. A. Olson, Minister
of Agriculture

A comparu:

L'honorable H. A. Olson, ministre
de l'Agriculture

WITNESSES:

From the Department of Agriculture:

Deputy Minister
Director General of Produc-
tion and Marketing
Departmental Legal Adviser

S. B. Williams
C. R. Phillips

Harvey Newman

TÉMOINS:

Du ministère de l'Agriculture:

Sous-ministre
Directeur-général de la Pro-
duction et des marchés
Conseiller juridique

STANDING COMMITTEE ON
AGRICULTURE

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L'AGRICULTURE

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Marcel Lessard
(Lac-Saint-Jean)

Président
Vice-président

and Messrs.

Et MM.

Barrett,
Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas,
Duquet,
Foster,
Gauthier,
Gleave,

Horner,
Howard (*Okanagan*
Boundary),
Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lefebvre,
Lind,
McKinley,
Moore (*Wetaskiwin*),

Muir (*Lisgar*),
Peters,
Pringle,
Roy (*Laval*),
St. Pierre,
Southam,
Thomson (*Battleford-Kindersley*),
Whicher,
Yanakakis—30.

Le secrétaire du Comité,

Michael A. Measures

Clerk of the Committee.

(Text)

MINUTES OF PROCEEDINGS

THURSDAY, January 23, 1969.
(14)

The Standing Committee on Agriculture met at 9.40 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas, Gauthier, Gleave, Horner, Korchinski, Lambert (*Bellechasse*), La Salle, Lessard (*Lac-Saint-Jean*), Lind, McKinley, Pringle, Roy (*Laval*), Southam, Whicher, Yanakis—(21).

Also present: Messrs. Pilon, Ritchie, Stewart (*Okanagan-Kootenay*), M.P.'s.

In attendance: From the Department of Agriculture: The Honourable H. A. Olson, Minister; Mr. S. B. Williams, Deputy Minister; Mr. C. R. Phillips, Director General of Production and Marketing; Mr. C. H. Jefferson, Director of Plant Products Division; Dr. D. S. MacLachlan, Director of Plant Protection Division; Mr. Harvey Newman, Departmental Legal Adviser.

On motion of Mr. Côté,

Resolved,—That the Committee's bilingual Minutes of Proceedings and Evidence be printed in the quantity of 1,000.

The Committee resumed consideration of Clause 3 of Bill C-155, the Pesticide Residue Compensation Act.

The Minister, Mr. Williams and Mr. Phillips answered questions.

Mr. Gleave moved that—

Clause 3 be amended by adding a Subclause 3(5) as follows: The compensation paid to the farmer in any instance shall not be less than 90% of the real market value of any product at the time of loss.

(Traduction)

PROCÈS-VERBAL

Le JEUDI 23 janvier 1969
(14)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 40 sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas, Gauthier, Gleave, Horner, Korchinski, Lambert (*Bellechasse*), La Salle, Lessard (*Lac Saint-Jean*), Lind, McKinley, Pringle, Roy (*Laval*), Southam, Whicher, Yanakis—(21).

Aussi présents: MM. Pilon, Ritchie, Stewart (*Okanagan-Kootenay*), députés.

De même que: Représentant le ministère de l'Agriculture: L'honorable H. A. Olson, ministre; M. S. B. Williams, sous-ministre; M. C. R. Phillips, directeur général de la Production et des Marchés; M. C. H. Jefferson, directeur de la Division des produits végétaux; M. D. S. MacLachlan, directeur de la Division de la protection des végétaux; M. Harvey Newman, conseiller juridique du Ministère.

Sur la proposition de M. Côté,

Il est résolu,—Que soient imprimés à 1000 exemplaires, les procès-verbaux et les témoignages du Comité.

Le Comité reprend l'étude de l'article 3 du bill C-155, Loi sur l'indemnisation pour dommages causés par les pesticides.

Le Ministre et MM. Williams et Phillips ont répondu aux questions.

M. Gleave propose que—

L'article 3 soit modifié par l'adjonction de l'alinéa 3(5) ainsi qu'il suit: L'indemnisation versée à l'agriculteur ne devra en aucun cas représenter moins que le 90 p. 100 de la valeur marchande réelle de tout produit à l'époque de la perte.

After some discussion, by agreement the motion was withdrawn.

Clause 3 was carried.

On Clause 4, the Minister and Mr. Williams answered questions.

Mr. Gleave moved an amendment adding at the end of Clause 4, paragraph (c), the following words:

and provided that the compensation paid to the farmer shall not be less than 90% of the market value of the product at the time of loss.

After some discussion, the motion was negatived on a show of hands as follows: yeas 5, nays 10.

Clause 4 was carried on division.

On Clause 5, the Minister, Mr. Williams and Mr. Newman answered questions.

Clause 5 was allowed to stand.

At 11.49 a.m. the Committee adjourned to the call of the Chair.

Un débat s'ensuit et la proposition est retirée d'un commun accord.

L'article 3 est adopté.

Le Ministre et M. Williams ont répondu aux questions se rapportant à l'article 4.

M. Gleave propose un amendement qui ajoute à la fin de l'article 4, sous-alinéa (c) ce qui suit:

—et prévoit que l'indemnisation versée à l'agriculteur ne devra pas représenter moins que 90 p. 100 de la valeur marchande du produit à l'époque de la perte.

Après débat, la motion mise aux voix est rejetée par 10 voix contre 5 à la suite d'un vote à main levée.

L'article 4 est adopté sur division.

Le Ministre, MM. Williams et Newman ont répondu aux questions relatives à l'article 5.

L'article 5 est réservé.

Le Comité s'ajourne à 11 h. 49 de l'avant-midi jusqu'à la prochaine convocation du président.

Le secrétaire du Comité,

Michael A. Measures

Clerk of the Committee.

[Text]

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, January 23, 1969.

• 0939

The Chairman: Gentlemen, will the meeting come to order. I suggest we start in where we left off on Tuesday. At that time I had four names on the list and I propose, with your permission, to recognize those names and proceed with the consideration of Clause 3. The names on that list are Mr. Peters, Mr. Southam, Mr. Lind, Mr. Horner and Mr. Danforth.

Before we proceed I would like to present the following to you. Starting with our meeting last Tuesday, and continuing thereafter, our Committee's Minutes of Proceedings and Evidence will be produced in a bilingual form. That is to say, they will be printed in both English and French in adjacent columns in the same issue, as is the bill before us today. The question before us is the quantity of bilingual issues to be printed. As background information I may say that previously the quantities that were printed separately were 750 in English and 350 in French. Further, another committee with bilingual issue, namely, Broadcasting, is printing 1,000 copies. If it is agreeable to the Committee, I will entertain a motion that the Committee's bilingual Minutes of Proceedings and Evidence be printed in the quantity of 1,000 copies.

• 0940

Mr. Côté: I so move.

Motion agreed to.

The Chairman: I will now recognize Mr. Southam (Qu'Appelle-Moose Mountain).

Mr. Southam: I was interested in the discussion in the concluding moments of our meeting on Tuesday with respect to Section 3, particularly subsections (3) and (4), when we discussed the matter of the minimum and maximum compensation. We had some discussion on subsection (3) but I do not think

[Interpretation]

TÉMOIGNAGES

(Enregistrement électronique)

Le jeudi 23 janvier 1969.

Le président: Messieurs, la séance est ouverte. Je propose que nous reprenions la réunion là où nous nous étions arrêtés mardi. A ce moment-là, j'avais quatre noms sur ma liste et je propose, si vous le voulez bien, que l'on donne la parole à ces personnes et que l'on poursuive l'examen de l'article 3. J'ai sur ma liste monsieur Peters, monsieur Southam, monsieur Lind, monsieur Horner et monsieur Danforth.

Avant cela, j'aimerais vous annoncer la nouvelle suivante. Désormais—et cela inclut notre séance de mardi dernier—les procès-verbaux et les témoignages de notre comité seront présentés sous forme bilingue. Autrement dit, l'anglais et le français seront imprimés en deux colonnes côté à côté dans une édition unique, comme c'est le cas pour le bill que nous avons à examiner aujourd'hui. On nous demande de décider du nombre d'exemplaires bilingues à imprimer. Pour vous donner une idée, je vous rappelle qu'on imprimait auparavant, en éditions distinctes, 750 exemplaires en anglais et 350 en français.

Il y a un autre comité, le Comité de la radiodiffusion, qui en publie 1000. Si vous êtes d'accord, je vais demander que le compte rendu bilingue soit tiré à 1000 exemplaires. Est-ce que vous êtes d'accord? Proposé par M. Côté (Richelieu).

M. Côté: J'en fais la proposition.

La motion est adoptée.

Le président: Je donne maintenant la parole à M. Southam (Qu'Appelle-Moose Mountain).

M. Southam: A la fin de notre séance de mardi, on a eu une discussion intéressante sur l'article 3, particulièrement, sur les paragraphes 3 et 4, lorsqu'on a discuté des minimum et maximum d'internité. On a discuté du paragraphe 3, mais je ne pense pas qu'on ait

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we had any discussions on subsection (4). This subsection reads:

Certain losses excepted from compensation

(4) No compensation shall be paid to a farmer pursuant to subsection (1) in respect of any loss where the loss is less than any minimum amount that is prescribed by the regulations.

Who determines what this amount should be? I would like to ask, Mr. Chairman, who arbitrates in these cases in order to decide?

The Chairman: Mr. Williams?

Mr. S. B. Williams (Deputy Minister of Agriculture): I am afraid I cannot answer that question directly, Mr. Southam, at the present moment. The intent in putting the section in there was that if there were to be numerous trivial and frivolous claims made that it would provide authority whereby the Governor in Council could set a minimum level below which payments would not be made.

Mr. Southam: Was it the intent or is it the thought that possibly the inspector who is referred to in Section 2 of this bill would be the man who would be designated to arbitrate in this case? Who would be carrying out the duties?

Mr. Williams: The Governor in Council would set the minimum amounts.

Mr. Southam: Who would do the arbitrating? Would it be the inspector that is suggested under Section 2? If you are going to arbitrate or decide on these things somebody has to go in and look over the situation and actually make the decision.

Mr. Williams: When a claim is issued the inspector would be required to assess various facts. The actual determination of the amount that might be paid in respect to the claim would presumably be settled in Ottawa, although we do not have details worked out as to how that would be done. I presume that would depend upon the complexity of the case and whether it was a new situation or not.

Mr. Southam: Mr. Chairman, this gets right down to the crux of this bill. We have had these losses in the past and we are now setting up legislation to try to compensate for it, and as far as the people who are affected by

[Interpretation]

discuté encore le paragraphe 4, qui se lit ainsi:

Aucune indemnité ne doit être payée à un cultivateur, en conformité du paragraphe (1), pour une perte lorsque celle-ci est inférieure à tout montant minimum prescrit par les règlements.

Alors, qui va décider de ce minimum? Monsieur le président, pouvez-vous nous dire qui va être l'arbitre de ces cas et qui va décider?

Le président: Monsieur Williams.

M. S. B. Williams (Sous-ministre de l'Agriculture): Je m'excuse, nous ne pouvons pas vous répondre directement, Monsieur. En introduisant cet article, nous voulions que, s'il y avait des réclamations frauduleuses, en trop grande quantité, le gouverneur en conseil puisse fixer un minimum au-dessous duquel il n'y aurait pas d'indemnité.

M. Southam: A-t-on voulu que l'inspecteur mentionné à l'article 2 soit celui qui devrait décider qui devra être l'arbitre, qui va faire l'arbitrage.

M. Williams: C'est le gouverneur en conseil qui va fixer les montants minimums.

M. Southam: Est-ce que ce sera l'inspecteur qui est indiqué à l'article 2? Parce que si vous devez faire un arbitrage, il faut décider qui va être cet arbitre, qui va prendre la décision.

M. Williams: A chaque fois qu'il y a une réclamation de faite, l'inspecteur doit faire l'évaluation de certains faits. La décision elle-même, quant à savoir le montant qui pourra être versé à titre d'indemnité pour une plainte, sera prise ici, à Ottawa, certainement, bien que cela ne soit pas encore décidé dans les détails. Cela dépendra de la complexité de la chose, et s'il s'agit d'une situation nouvelle ou non.

M. Southam: Monsieur le président, revenons au centre de l'affaire elle-même. Nous avons eu des pertes dans le passé. Nous avons maintenant une loi permettant d'y remédier et il faut aller aussi bas que possible dans

[Texte]

it are concerned, the decision is going to have to be made at the grass roots level. It would be interesting to know just what these maximum and minimum amounts are, whether it is 90 per cent or 85 per cent, what the minimum would be and just who would take the final responsibility for assessing it.

Mr. Williams: The Minister will comment on that.

The Honourable H. A. Olson (Minister of Agriculture): Mr. Chairman, we discussed this particular point at the last meeting and while we did not give a positive undertaking as to the exact percentage, I did say that we were contemplating recommending to the Governor in Council a maximum of somewhere around 80 per cent of the loss that was assessed, and at the other end there would be a minimum, as Mr. Williams has said, to deal with frivolous matters and this would be taken into account in so far as minimums are concerned.

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Mr. Southam: Thank you, Mr. Chairman. We had quite a discussion on this section on Tuesday, so that finishes my comments for the moment.

The Chairman: Thank you, Mr. Southam. I now recognize Mr. Lind (Middlesex).

Mr. Lind: Actually, Mr. Chairman, I would like to pass until a little later. I think the question about the time for each person that I had in mind has been settled.

The Chairman: Thank you, Mr. Lind. I will now recognize Mr. Horner (Crowfoot).

Mr. Horner: Mr. Chairman, I am concerned about proving whether a farmer was at fault or was not at fault. I am thinking back, Mr. Chairman, to a problem they had in Regina a number of years ago when residue was found in cream. Mr. Phillips, do you remember that particular case? Was the farmer not proven at fault in that case?

Mr. C. R. Phillips (Director General of Production and Marketing): I do not remember the case.

Mr. Williams: I remember the case quite well. As a matter of fact, there were two cases and to my recollection in neither case was it traced to any producer. This concerned products that were taken off the market by

[Interprétation]

l'échelle pour atteindre directement les gens qui sont intéressés. Il est bon qu'ils sachent quel sera ce montant maximum ou minimum, 90 p. 100, 85 p. 100, et qui décidera, en dernier ressort, de son évaluation.

M. Williams: Eh bien, M. le ministre va vous répondre.

L'hon. H. A. Olson (ministre de l'Agriculture): Monsieur le président, nous avons discuté de cette question, en particulier lors de la dernière réunion, et, bien que nous n'ayons pas donné une réponse catégorique quant au pourcentage exact, je vous ai, malgré tout, dit que nous envisagions de recommander au gouverneur en conseil de fixer un maximum d'environ 80 p. 100 des pertes évaluées, sans oublier le minimum. Ces chiffres permettraient de tenir compte des plaintes exagérées.

M. Southam: Merci, monsieur le président. Nous avons discuté de cette question mardi, effectivement. Par conséquent, je vais m'arrêter là pour le moment.

Le président: Merci, monsieur Southam. La parole est maintenant à M. Lind (Middlesex).

M. Lind: Merci, monsieur le président. Je crois qu'on a déjà répondu à ma question.

Le président: Merci, monsieur Lind. La parole est maintenant à M. Horner (Crowfoot).

M. Horner: Monsieur le président, ce qui m'intéresse c'est de savoir si le cultivateur avait raison ou tort. J'en reviens au problème qui s'est posé à Regina il y a plusieurs années monsieur le président, où l'on avait trouvé des résidus dans la crème. Vous souvenez-vous de ce cas, docteur Phillips? Avait-on trouvé qu'il y avait eu faute?

M. C. R. Phillips (Directeur-général de la Production et des marchés): Je ne me souviens pas de cette affaire.

M. Williams: Il y avait deux cas, et dans l'un comme dans l'autre, pour autant que je m'en souviens, c'était un produit qui avait été retiré du marché par la direction générale des aliments et drogues et il n'y avait aucun

[Text]

the Food and Drug Directorate. The product was butter with a residue in it that was taken off, and there was no method whereby it could have been traced to the producer at that time.

An hon. Member: Pardon me?

Mr. Williams: The producer presumably had been paid for the cream and it is my understanding, unless I do not recollect correctly, that no producer suffered any loss whatsoever. I believe there were two cases at that particular time.

Mr. Horner: You mentioned on Tuesday that there was a farm in Ontario—and I remember reading about it—where a residue was found on the produce produced on the land but no reason for it has yet been determined. When this bill is passed, will a farm such as that one be covered even if evidence of the residue was found before the passing of this bill? Do you understand what I mean?

Mr. Williams: There is no intent at the present moment to provide retroactivity in this particular bill, but I presume you are really asking the hypothetical question if a similar situation arose.

Mr. Horner: No. If a farm is still receiving damage from residue after this bill is passed, will it then be allowed to put in a claim for compensation?

Mr. Williams: I think we will have to answer that as a hypothetical question. In reply to that hypothetical question, theoretically the answer is yes, presuming there is no evidence the farmer misused pesticides, and to the best of my knowledge in that particular case there is no evidence that he did misuse pesticides.

Mr. Horner: Let us follow this line of reasoning a little further. You suggest that provided there was no evidence the farmer used pesticides—

Mr. Williams: I am sorry, misused pesticides.

Mr. Horner: —that it really did not matter if the residue was in the produce prior to the passing of this bill so long as it was also found after the passing of this bill.

Mr. Williams: I would think that would be a fair presumption, yes.

Mr. Horner: What about a case that—

[Interpretation]

moyen de remonter jusqu'au producteur. Il s'agissait de beurre qui renfermait un résidu.

Une voix: Excusez-moi?

M. Williams: Le producteur avait été remboursé et, pour autant que je sache, il n'y a eu aucune perte de la part des producteurs. Il y avait deux cas, si je me souviens bien.

M. Horner: Mardi, vous avez parlé d'une ferme en Ontario. Je me souviens d'avoir lu quelque chose à ce sujet. On avait trouvé des résidus dans le produit. Mais on n'a pas encore pu, malgré tout, expliquer ce phénomène. Lorsque cette Loi sera votée, est-ce qu'une exploitation de ce genre sera couverte même si la preuve de la présence de résidus a déjà été vérifiée? Vous voyez à quoi je veux en venir?

M. Williams: A l'heure actuelle, il n'est pas prévu que cette loi sera rétroactive. Mais, en fait, vous nous posez une hypothèse. C'est-à-dire que si une situation semblable se produisait...

M. Horner: ...eh bien, supposons que la ferme continue de subir des dégâts, une fois que la loi aura été votée. Est-ce que, à ce moment-là, elle aura toujours droit à des indemnités?

M. Williams: Eh bien, je pense qu'on peut répondre seulement de façon hypothétique. En théorie, oui, en supposant qu'il ne soit pas prouvé que le cultivateur a fait un mauvais usage des pesticides. Je ne crois pas que ce soit le cas ici.

M. Horner: Poussons le raisonnement un peu plus loin. Vous dites, qu'à condition qu'il ne soit pas prouvé que le cultivateur a utilisé les pesticides.

M. Williams: Pardon, a mal utilisé les pesticides.

M. Horner: En fait, peu importe que les résidus se trouvaient dans le produit avant que la loi ne soit votée, pour autant qu'ils s'y trouvent après.

M. Williams: Oui, c'est cela.

M. Horner: Que pensez-vous du cas où...

[Texte]

Mr. Williams: It would depend on when the action of the Food and Drug Directorate took place. I think you appreciate that, Mr. Horner.

Mr. Horner: Yes, perhaps, but I am wondering if this is a good reason, that it should not be retroactive. I am thinking of a case, and I have it here before me where cream was found in St. Vincent northern Alberta last May with a residue and the person was prohibited from shipping cream from May until the first of July. It was a loss of something like \$800 worth of produce to that one farmer. Surely it is cases like this that have prompted the bringing in of this legislation. I think in all fairness that the Minister and the Deputy Minister will admit that it is cases such as this that have prompted the bringing in of this legislation. Surely we should not just disregard them.

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Surely we should consider a retroactive period of some extent because, as I attempted to point out, if the residue is still being found it is very difficult to nail down a starting period on cases such as this because the pesticide may linger in the soil and produce a residue in the produce for a given number of years.

Mr. Williams: If that were the case, Mr. Horner, and if food subsequently produced were withheld from the market by the Food and Drug Directorate then, of course, they would be eligible. In the particular case to which you make reference I believe the Food and Drug Directorate was not involved. It was entirely provincial action that withheld this commodity from the market.

An hon. Member: Is that the Brantford case?

Mr. Williams: No, not the Brantford case, the Alberta case.

Mr. Horner: You mean the Alberta case?

Mr. Williams: That is my understanding, yes.

Mr. Horner: Was that Mr. R. P. Dickson an official of the federal government?

Mr. Williams: No, Mr. Dixon is the Dairy Commissioner for the Province of Alberta. At least, there is a Mr. Dixon who is the Dairy Commissioner for the Province of Alberta.

Mr. Horner: What authority do they have to move in and stop the sale of a product

[Interprétation]

M. Williams: En fait, tout dépendra du moment où la direction générale des aliments et drogues aura pris des mesures.

M. Horner: Peut-être, mais je me demande si c'est une raison valable pour quelle ne soit pas rétroactive. Je pense, par exemple, à un cas que j'ai sous les yeux. On avait trouvé, en mai dernier de la crème, à Saint-Vincent (Alberta), qui contenait des résidus. La personne s'est vu interdire d'expédier de la crème, jusqu'au premier juillet, ce qui a entraîné une perte d'environ \$800. Ce sont certainement les cas de ce genre qui ont occasionné la préparation de ce projet de loi et je pense qu'en toute honnêteté le ministre et ce sous-ministre devront le reconnaître. Allons-nous alors simplement les méconnaître?

Il faut certainement admettre une certaine période de rétroactivité, car si comme j'ai cherché à vous le montrer, le résidu s'y trouve toujours, il est excessivement difficile de déterminer la période de départ dans les cas de ce genre. Le pesticide peut demeurer en permanence dans le sol et causer des résidus pendant un certain nombre d'années.

M. Williams: Si tel était le cas, monsieur Horner et que le produit est retiré du marché par la direction générale des aliments et drogues, ils auront certainement droit aux indemnités. Dans le cas particulier que vous avez cité, je pense que la direction n'était pas en cause. Ce sont les autorités provinciales qui ont retiré le produit du marché.

Une voix: Est-ce l'affaire de Brandford?

M. Williams: Pas l'affaire de Brantford, mais plutôt celle de l'Alberta.

M. Horner: Vous parlez du cas de l'Alberta, n'est-ce pas?

M. Williams: D'après ce que j'ai cru comprendre. Oui.

M. Horner: Est-ce que ce M. R. P. Dixon est un représentant du gouvernement fédéral?

M. Williams: M. Dixon fait partie de la Commission des produits laitiers pour l'Alberta. Du moins, il y a un M. Dixon dans cette Commission.

M. Horner: Alors, de quel droit ont-ils pu interdire la vente d'un produit à cause de la

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because of residue? Are their inspectors trained in a similar fashion to the Food and Drug Directorate in Ottawa, or the food and drug inspectors that would be working under this?

Mr. Williams: I cannot quote the name of it but they do have a health and food act—with-out capitalizing “health” and “food”—that gives them authority to withhold products from the market that contain deleterious substances.

Mr. Horner: Thank you, Mr. Williams. I urge that a great deal of consideration be given to as broad as possible an interpretation of an effective date because of the lingering factors in this residue and pesticide problem.

The Chairman: Thank you, Mr. Horner. I recognize Mr. Danforth (Kent-Essex).

Mr. Danforth: Mr. Chairman, I have two or three short questions that I would like to pose on this particular clause of the bill. The bill says that no compensation shall be paid until the Minister receives from the Minister of National Health and Welfare written confirmation of an inspection. Once an inspector has found contamination, is it mandatory that written notification be given to the Department of Agriculture?

Mr. Williams: Only under the provisions of this Act, Mr. Danforth.

Mr. Danforth: Then am I to understand whenever an inspector turns up a case of contamination, or suspected contamination, it is automatic that the Minister of Agriculture will receive this report?

Mr. Williams: Under this Act it will be mandatory that they report to the Minister of Agriculture any commodity that they remove from the market.

Mr. Olson: I might add if I may, Mr. Chairman, that of course is also one of the requirements to pay compensation under this Act.

Mr. Danforth: This is why I want to make sure it is mandatory and that the farmer on his own does not have to pursue this in order to have the proper authorities notified.

My next question deals with the farmer who has had his crops damaged. I understand from the questions that have been answered that a farmer who feels he is eligible for government compensation could be in a position where he has had nothing to do with the actual use of chemicals and still be eligible

[Interpretation]

présence de résidus? Leurs inspecteurs ont-ils une formation semblable à celle des inspecteurs de la Direction générale des aliments et drogues qui s'intéressent à cette question?

M. Williams: Je ne me souviens pas de son nom exact mais ils ont une loi sur la qualité des produits alimentaires qui leur permet de retirer les produits du marché s'ils renferment des matières nuisibles à la santé.

M. Horner: Je vous remercie, monsieur Williams, mais je vous prie d'étudier sérieusement la possibilité d'avoir une date d'entrée en vigueur qui tienne compte du phénomène de la permanence de ces résidus et des pesticides dans le sol.

Le président: La parole est à M. Danforth (Kent-Essex).

M. Danforth: Monsieur le président, j'aimerais poser deux ou trois questions en ce qui concerne cet article. Le bill dit que «aucune indemnité ne sera payée tant que le ministre n'aura pas reçu confirmation d'une inspection». Lorsque l'inspecteur a constaté des contaminations, est-ce qu'il doit nécessairement transmettre un avis au ministère?

M. Williams: En vertu des dispositions de cette loi, oui.

M. Danforth: Dois-je comprendre alors que, chaque fois qu'un inspecteur constatera ou soupçonnera une contamination, le ministre recevra automatiquement un rapport?

M. Williams: D'après cette loi, ils devront présenter un rapport au ministre lorsqu'ils retireront un produit du marché.

L'hon. M. Olson: Je voudrais ajouter, monsieur le président, que c'est une des conditions pour avoir droit aux indemnités.

M. Danforth: Je voulais m'assurer que ce rapport est obligatoire et que le fermier n'aura pas, de son propre chef, à poursuivre l'affaire plus loin.

Mon autre question porte sur le cas où un cultivateur a subi des dégâts. Je crois comprendre, d'après les questions posées et les réponses, qu'un cultivateur peut se trouver dans une position où il n'a absolument rien eu à voir avec l'emploi réel des produits chimiques, et croire qu'il qu'il a quand même

[Texte]

for compensation should his crops show harmful residue.

• 0955

I could perhaps give you three examples of this. Number one, the drifting of chemicals from adjacent properties because of gusts of wind or other forces over which there was no control on the adjacent farms. Number two, the use of an allied chemical. Both chemicals by themselves would produce no harmful effect but when used together or are together they may cause a harmful effect. Number three, perhaps a residue of fallout from nuclear fission in some other country, or something. In these instances would the farmers be eligible for compensation if their products are withheld from the market?

Mr. Williams: Mr. Chairman, it is rather difficult to answer those hypothetical situations and yet I think in the case of the first question that was raised about drift in the wind that it could possibly happen, and probably will happen, but we would be required under this Act, of course, to satisfy ourselves that the chemical had not been misused. I suppose there would be an obligation on our part to find out if the farmer had damage as a result of having his product condemned or if he was prevented from selling it or if, indeed some of his neighbours did damage to him in that they used it improperly he could then institute a civil action, and so on. It says under Section 5.(1)(a), which we will get to:

- (a) to reduce the loss occasioned to him by reason of such pesticide residue, and
- (b) to pursue any action that the farmer may have in law against
- (ii) any person whose act or omission resulted in or contributed to the presence of the pesticide residue in or upon the product.

Mr. Danforth: I appreciate that, Mr. Chairman. Perhaps I did not illustrate my point clearly enough. May I use another illustration which can actually happen. I think all Committee members are aware that some chemicals with the addition of additives are far more powerful than they are in their original form. May I use as an illustration that perhaps one farmer has used a chemical on his crop according to specifications. Perhaps the adjacent farmer is not aware of the type of chemical used or for what purpose it is used, and the adjacent farmer may have used, for example, a miscible oil. A wind drift of miscible oil in itself would cause very little dam-

[Interprétation]

droit à une indemnisation du gouvernement si ses propres produits montrent des traces de résidus.

Je peux fournir quelques exemples. D'une part, les pesticides que le vent souffle d'une exploitation à l'autre et que le voisin ne peut pas contrôler; deuxième cas: l'utilisation de produits chimiques qui, utilisés séparément, n'ont aucun effet néfaste, mais qui peuvent produire un effet nuisible lorsqu'ils sont utilisés ensembles. Une troisième situation: les retombées radioactives résultant de l'explosion d'un engin nucléaire dans un pays voisin. Les cultivateurs auraient-ils droit à des indemnisations si leurs produits sont retirés du marché?

M. Williams: Monsieur le président, il est très difficile de répondre à ces questions hypothétiques. Je pense pourtant que la première question posée, c'est-à-dire sur les souffles de vent, est une situation qui pourrait très bien se présenter et qui se produira certainement. Dans ces cas, nous devrions, de par la Loi, nous assurer qu'on n'a pas fait un mauvais usage du produit chimique. Je suppose que nous serions obligés alors de nous assurer que le cultivateur a subi des pertes parce que ses produits ont été retirés du marché ou qu'un de ses voisins a causé des dégâts par le mauvais usage de ces produits. Mais l'article 5 (1) a) dit:

- a) pour réduire la perte qu'il a subie par suite de la présence de ces résidus de pesticide, et
- b) pour exercer tout recours que le cultivateur peut avoir
- ii) contre toute personne dont l'action ou l'omission a entraîné ou contribué à entraîner la présence des résidus de pesticide dans ou sur le produit.

M. Danforth: Monsieur le président, je n'ai peut-être pas exprimé mon point de vue très clairement. Voici un autre exemple qui pourrait se produire. Je pense que tous les députés savent que certains produits chimiques auxquels on ajoute certains additifs sont beaucoup plus puissants que s'ils étaient maintenus dans leur forme originale. Et à titre d'exemple, disons qu'un cultivateur a utilisé un produit conformément aux instructions. Le voisin ne connaît peut-être pas le genre de produit chimique utilisé ni à quelle fin et utiliser lui-même, par exemple, une huile miscible. En soi, si ces huiles étaient soufflées par le vent elles causeraient peu de

[Text]

age but a miscible oil drifting in where a specific chemical has already been applied could intensify the action of that chemical many times and therefore there could then be resulting damage in residue. This is my position. I contend that each farmer on his own acted according to the specifications, and perhaps it was an act of God that caused the actual damage to be created. Could the farmer who has had the damage and his crops withheld under the Act put in a claim for damages?

Mr. Olson: As I said, it is very difficult to answer that question specifically. If a situation like that arose we would have to take into account all of the circumstances and also the provisions of the Act. The provisions of the Act are that if a product is withheld from sale, then that is necessary before we can proceed. The second thing is that we have to satisfy ourselves that the farmer did not misuse a chemical, and under the conditions that you have outlined the farmer would not have misused the chemical with respect to the label, the recommendations, and that sort of thing. Of course, when you get into the area about whether someone else has done damage to him it is pretty hard to be precise, but under the terms of the Act it would seem to me that we would perhaps have authority to pay him if he had not misused any chemical himself.

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The Chairman: Gentlemen, may I suggest that probably the questioning has moved a little beyond Clause 3. This is difficult to separate but perhaps we could agree that probably the questioning has now moved beyond Clause 3 which has to do with compensation, minimum and maximum, and so forth; and under Clause 4 we get into a lot of other factors.

Could we agree that Clause 3 carry and then we could go on?

Mr. Danforth: I have one further short question, if I may, specifically related to this matter, Mr. Chairman. This question is almost directly opposite to the line of questioning that I have been pursuing. There are occasions when those engaged in agriculture in Canada feel that there is a delay in the registration of the use of pesticides and controls that would be very advantageous to them and which are available in foreign countries and have been for some time. This has happened on various occasions, and I am neither criticizing nor assessing fault; it just happens this way.

[Interpretation]

dégâts mais mélangées à un autre produit chimique, elles peuvent multiplier sa puissance et causer des dégâts par le présence de résidus. Je prétends que chaque fermier a suivi les instructions et que c'est peut-être la main de Dieu qui a en réalité causé les dégâts. Est-ce que le cultivateur qui a subi les dégâts peut alors demander une indemnisation?

L'hon. M. Olson: Comme je vous l'ai dit, il est très difficile de répondre à cette question de façon précise. Si une situation de ce genre devait se poser, il faudrait tenir compte de toutes les circonstances ainsi que des dispositions de la Loi. Selon la loi, si un produit est retiré de la vente, c'est la première chose à faire. Ensuite, nous devons nous assurer d'une part que le cultivateur n'a pas fait un mauvais usage des produits chimiques. Dans la situation que vous avez décrite, le cultivateur n'aurait pas fait un mauvais usage du produit chimique d'après les recommandations et les instructions, et ainsi de suite. Lorsqu'il s'agit de savoir si quelqu'un d'autre lui a causé des dégâts, c'est difficile à déterminer. Mais d'après les dispositions de la loi, il me semble que nous serions autorisés à lui accorder une indemnisation s'il n'a pas, lui-même, fait un mauvais usage du produit chimique.

Le président: Messieurs, ne croyez vous pas que les questions ont un peu dépassé l'article 3 et il est assez difficile de faire une distinction. Mais est-ce que nous ne pourrions pas convenir que les questions ont dépassé un peu l'article 3 qui porte sur les indemnisations maximums, minimums, etc. L'article 4 touche de nombreux autres points. Je me demande si nous ne pourrions pas adopter l'article 3.

M. Danforth: Si vous permettez, monsieur le président, j'ai une autre question. Elle est fondée sur les mêmes données. Il arrive que ceux qui s'adonnent à l'agriculture, au Canada, trouvent qu'il se produit des délais dans l'enregistrement et le contrôle des pesticides utilisés et que cette réglementation leur serait avantageuse. Ils sont disponibles à l'étranger et cela depuis un certain temps. Je crois que cela s'est produit à plusieurs reprises. Je ne veux critiquer ni blâmer personne mais seulement mentionner le fait.

[Texte]

Could provision be made, or is provision made, for a farmer wishing to use such chemicals to ask for exemption under this bill so that if there were contamination and his products were in fact not offered for sale he could ask for exemption under this bill? In that way the government would be under no obligation for damages or damage claims?

Mr. Olson: I will ask Mr. Phillips to comment in more detail on this, but at the moment he can bring it in without a registration; but of course, after we have passed all of these bills he will not be able to.

Perhaps Mr. Phillips would like to answer that.

Mr. Phillips: Mr. Chairman, there are two parts to this question. One relates to acceptance for registration and delays. Of course, that comes under the Pest Control Products Act which is coming up later, but it touches on this one.

Currently a farmer may, under the Pest Control Products Act, bring in for his own use without registration. If the Pest Control Products bill is passed in the form presented he will not be able to.

If we were operating under this bill and the current Pest Control Products Act he would not be eligible for compensation and there would be no requirement for him to ask exemption from this bill. He would be exempt because it was not a registered product used in accordance with the directions approved under the Pest Control Products bill.

Mr. Danforth: If any provision were made, Mr. Chairman, for the use of chemicals it would have to be made by leave of, or as an exemption under, the Pest Control Products Act—the other Pest Control Products Act—rather than under this particular bill.

The Chairman: He would not ask for exemption. He would be disqualified in the event that he made application for compensation. Would that not be correct?

Mr. Danforth: I appreciate that; but my point is that I am certain that certain segments of agriculture are going to feel that they are travelling much faster than is departmental action in this, and then any desire on the part of an individual to use such chemicals would have to be considered under the other act rather than under this bill.

Mr. Phillips: Yes.

[Interprétation]

Est-ce qu'on prévoit le cas où le cultivateur qui désirerait employer de tels produits chimiques puisse demander une exemption en vertu de cette loi afin que, s'il y avait contamination et si le produit effectivement n'était pas mis en vente, qu'il puisse demander une exemption en vertu de la Loi? Le gouvernement ne serait pas alors tenu de l'indemniser.

L'hon. M. Olson: Je vais demander à M. Phillips de commenter plus en détail, mais pour le moment, il pourrait le faire sans que cela soit inscrit. Toutefois, après l'adoption de la Loi, il ne pourra pas le faire. M. Phillips pourrait peut-être vous donner d'autres détails.

M. Phillips: Oui, monsieur le président. Il y a deux parties à cette question. La première a trait à l'acceptation de l'inscription et des retards. Ceci tombe sous le coup de la Loi sur les produits antiparasitaires, que nous verrons plus tard.

Présentement, en vertu de la Loi sur les produits antiparasitaires, un cultivateur peut le faire sans inscription. Mais si cette Loi est adoptée telle que présentée, il ne pourra pas le faire. Si nous étions régis par ce bill et par l'actuelle Loi sur les produits antiparasitaires, il n'aurait pas le droit de recevoir une indemnité car on n'exigerait pas qu'il demande d'être exempté de ce bill. Il serait exempté parce que le produit ne serait pas enregistré conformément à la Loi sur les produits antiparasitaires.

M. Danforth: Si l'on permettait l'usage des produits chimiques, monsieur le président, il faudrait le faire par l'entremise de la Loi sur les produits antiparasitaires plutôt qu'en vertu de ce projet de loi.

Le président: Il ne demanderait pas d'exemption, il serait tout simplement disqualifié. N'est-ce pas?

M. Danforth: Oui, je comprends, mais voici le point que je voulais soulever. Je suis sûr qu'il y a certains secteurs de l'agriculture qui estimerait qu'ils vont beaucoup plus vite et plus loin que tout geste posé par le ministère à ce sujet. Et si un particulier désirait employer de tels produits chimiques, il devrait le faire en vertu de l'autre loi plutôt qu'en vertu de celle-ci.

M. Phillips: Oui.

[Text]

Mr. Danforth: Thank you. I pass, Mr. Chairman.

The Chairman: Thank you, Mr. Danforth.

I recognize Mr. Korchinski (Mackenzie).

Mr. Korchinski: I have a very short question, Mr. Chairman.

An hon. Member: On a point of procedure, are you still on clause 3?

• 1005

The Chairman: Yes, sir.

Mr. Korchinski: Is the amount of money that will be available to the Minister to make compensation to be granted by way of an estimate in the House? Is this the method you will use?

Mr. Olson: Yes, that is right; there will be an item in the estimates.

Mr. Korchinski: Is it going to be a lump sum that would be available, which might determine the maximum or minimum that you might—

Mr. Olson: We are obliged to estimate the expenditures for all purposes. If this act is passed and, for example, an unexpectedly high expenditure is needed in some years to meet the provisions, this is not—

Mr. Korchinski: You would have a lot of public hearings every year or you would just simply ask for a certain amount of whatever you may require in that particular year.

The Chairman: Thank you, Mr. Korchinski. I recognize Mr. Clermont.

M. Clermont: Monsieur le président, mes questions se rapportent aux articles 4, 5, 6 et 7. Comme nous en sommes à l'article 3, je vais attendre, pour le moment.

The Chairman: Thank you, Mr. Clermont. Mr. Roy (Laval)?

M. Roy (Laval): Monsieur le président, étant donné que nous discutons des indemnités, je pense que le facteur premier dans l'utilisation des insecticides est surtout le mode d'emploi. Et avec l'expérience que j'ai pu avoir, j'ai vu des dommages causés par des insecticides, des herbicides et des fongicides. Je pense que plus de 80 p. 100 de ces dommages sont occasionnés par le mode

[Interpretation]

M. Danforth: Merci. Je cède la parole.

Le président: Merci, monsieur Danforth. Monsieur Korchinski maintenant, de Mackenzie.

M. Korchinski: J'ai une brève question.

Une voix: En sommes-nous toujours à l'article 3, monsieur le président?

Le président: Oui, monsieur.

M. Korchinski: Est-ce que la somme qui sera mise à la disposition du ministre pour les indemnités, sera prévue dans les prévisions budgétaires approuvées à la Chambre?

L'hon. M. Olson: Oui, il y aura certainement un poste aux prévisions budgétaires à cette fin.

M. Korchinski: Une somme globale ou est-ce que ce sera un maximum et un minimum?

L'hon. M. Olson: Nous sommes obligés de prévoir les dépenses à tous les postes. Si la Loi est adoptée et si, par exemple, une dépense excessivement élevée est nécessaire dans quelques années à cette fin, il n'y a rien que nous puissions faire à ce sujet.

M. Korchinski: Vous demanderiez une certaine somme, ce que vous estimez vouloir dépenser.

Le président: Merci, monsieur Korchinski. Je passe la parole à M. Clermont.

Mr. Clermont: Mr. Chairman, my questions come under clauses 4, 5, 6 and 7. As we are dealing with Clause 3 at the present time, I shall wait.

Le président: Merci, monsieur Clermont. Monsieur Roy, de Laval.

M. Roy (Laval): Mr. Chairman, as we are discussing compensation, I think that the prime factor in the use of insecticides and pesticides is primarily the directions for use.

I have seen cases of damage caused by insecticides, weed-killers and fungicides. I think that over 80 per cent of this damage was due to the way they were used. All

[Texte]

d'emploi. Tous les produits sont bons mais la façon de les utiliser, la concentration, l'emplacement peuvent influencer l'efficacité du produit.

A titre de suggestion, monsieur le président, ne pourrait-on pas demander, pour protéger autant le fabricant que le ministère qui, éventuellement, pourrait être appelé à payer une indemnité, que le mode d'emploi de ces produits-là soit bilingue? J'en connais plusieurs qui sont soit en français, soit en anglais. Mais s'ils étaient bilingues, je pense que l'on éviterait beaucoup de ces paiements d'indemnités. Le cultivateur doit lire les modes d'utilisation dans une langue qui n'est pas la sienne, alors l'efficacité de ces produits, même d'excellente qualité, est d'autant plus réduite. Je pense qu'on pourrait éviter, de cette façon, beaucoup de complications, autant pour le fabricant que pour le ministère.

Mr. Olson: Mr. Chairman, this question relates to the other bill, Bill C-154, I believe. However, I feel that we require either French or English, or both; that if a manufacturer were attempting to sell his product into a French-speaking community and he did not have French instructions on it that would be very foolish—and *vice-versa*. That would be part of the promotion of the sale. Certainly, these customers should be satisfied with the product and be able to read and understand the directions fairly clearly.

Mr. Roy (Laval): Les dommages sont causés surtout par la mauvaise utilisation des produits, pas la mauvaise qualité. Je pense que, de cette façon, on pourrait éviter des frais et au fabricant et au ministère. On découvre après enquête, dans un nombre assez élevé de cas, que le mode d'emploi n'a pas été suivi tel que recommandé par le fabricant.

Mr. Olson: I do not question that, but I am wondering whether or not it was because the label was not printed in the language that was well understood in the area. I am advised that we have not had any complaints about the label not being printed in the proper language; and, of course, in most cases the label is printed in both languages.

• 1010

The Chairman: Thank you, Mr. Roy. Mr. Gleave, on clause 3. Certain members have indicated to me that they still wish to speak on Clause 3 and I have three who have

[Interprétation]

products are good, but the directions, the concentration, the location may influence the effectiveness of the product.

Could we not, Mr. Chairman, ask as a measure of protection for the manufacturer as well as for the Department which might possibly have to pay compensation, that the directions for use for these products be bilingual? I know several products which have directions either in English or French. I think we would eliminate a great many payments of compensation if the directions were bilingual. Whenever a farmer has to read the instructions in a language which is not his own, the effectiveness of the products concerned, although they be of excellent quality, is reduced accordingly. I think that this way, we could eliminate a great many complications for the manufacturer as well as for the Department.

L'hon. M. Olson: Monsieur le président, cette question relève de l'autre bill, le bill 154 je crois. Toutefois, je crois que nous devrions exiger soit le français, soit l'anglais ou les deux. Si le fabricant toutefois, tente de vendre ses produits dans une collectivité francophone et qu'il n'a pas de mode d'emploi en français, ce serait plutôt fou, n'est-ce pas? Et l'inverse est vrai aussi. Cela fait partie de la promotion des ventes. Ces clients doivent être satisfaits de son produit et en mesure de lire et de comprendre le mode d'emploi.

Mr. Roy (Laval): Damage is caused especially because products are not used properly, not because their quality is bad. I think that this way we could reduce the number of compensation claims for the manufacturer and the Department. Upon investigation, we have discovered that in a fairly high percentage of cases the manufacturer's instructions were not followed.

L'hon. M. Olson: Je ne mets pas cela en doute mais je me demande si c'était parce que l'étiquette n'était pas dans une langue qui était bien comprise dans le secteur. Car on me dit qu'on n'a pas reçu de plaintes à l'effet que l'étiquette n'était pas imprimée dans la bonne langue. Évidemment, dans la plupart des cas, c'est dans les deux langues que l'étiquette est imprimée.

Le président: Merci, monsieur Roy. Monsieur Gleave, l'article 3? J'ai certains députés qui m'ont indiqué qu'ils veulent poser des questions sur l'article 3. Ensuite, j'en ai trois

[Text]

indicated that they wish to speak on Clause 4—Mr. Lind, Mr. Horner and Mr. Clermont.

Mr. Gleave: I wish to propose an amendment, Mr. Chairman, if that is in order at this time. It would be as an addition after clause 4.

The Chairman: Could you provide the Chair with a copy?

Mr. Gleave: Yes. I will have to write another one so that you can have a copy.

Mr. Korchinski: Is is clause 3 or clause 4?

The Chairman: Which clause do you propose to amend?

Are there any other questions while Mr. Gleave is preparing his amendment?

M. Lambert (Bellechasse): A l'article 3, paragraphe (2), alinéa b) il est écrit:

A moins que le ministre ne soit convaincu que les résidus de pesticide ne sont pas présents dans ou sur le produit par suite d'une faute du cultivateur, de son employé ou mandataire, ou d'un propriétaire antérieur...

Supposons qu'un cultivateur achète une propriété, qu'il ne sache pas qu'on a utilisé des produits antiparasitaires sur ce champ et que, par la suite, ses produits soient contaminés. Devient-il, lui, automatiquement responsable des actes de son prédécesseur? La loi prévoit-elle ces cas? Est-ce le sens de l'alinéa b)?

Mr. Olson: Yes, I think it is. I dealt with this during the meeting on Tuesday. We have to satisfy ourselves that the residue getting into the product is not by fault; that is, that they knowingly misused the chemical, whether it was the farmer himself or his employee or his agent, or indeed, if it was done prior to him purchasing the land.

In the case of a farmer buying land that is contaminated so that there is residue getting into the product, this would be a legal question of him having purchased something that is perhaps not what it was represented to be if there were high levels of chemicals in the land that were getting into the product. I do not think that the Department or the government assumes the responsibility for guaranteeing that situation and that is why it is put in the Act.

[Interpretation]

qui m'ont indiqué qu'ils voulaient poser des questions sur l'article 4: M. Lind, M. Horner, M. Clermont.

M. Gleave: Je désire proposer un amendement, monsieur le président. Je me demande s'il est recevable à ce moment-ci. Il s'agit d'une addition après l'article 4.

Le président: Pourriez-vous en donner une copie au président?

M. Gleave: Il faudra que j'en rédige une autre copie à cette fin.

M. Korchinski: S'agit-il de l'article 3 ou 4?

Le président: Quel article voulez-vous amender? Y a-t-il d'autres questions à poser pendant que M. Gleave rédige son amendement?

Mr. Lambert (Bellechasse): Under Clause 3 (2) (b), it says:

unless the Minister is satisfied that the pesticide residue in or upon the product is not present because of any fault of the farmer, his employee or agent, or of a previous owner of the land...

If a farmer purchases land and is not aware that any pesticides were used previously and subsequently some products are contaminated, does he then automatically become responsible for his predecessor's acts? Does the Bill make provision for such cases? Is that what paragraph (b) indicates?

M. Olson: Oui, je le crois. A la séance de mardi, nous avons traité de cette question. Il faut que nous soyons tout à fait convaincus que les résidus qui entrent dans le produit ne le font pas faute; c'est-à-dire que le produit chimique n'est pas utilisé à tort en pleine connaissance de cause que ce soit par le cultivateur, son employé ou son mandataire, que cela ait été fait avant qu'il achète le terrain.

Dans le cas d'un cultivateur qui achèterait un terrain contaminé de sorte que des résidus s'introduiraient dans les produits, cela pourrait être une question juridique à l'effet qu'il aurait acheté quelque chose peut-être faussé, s'il y avait vraiment un niveau très élevé de produits chimiques dans la terre qui s'introduisaient dans les produits. Je ne crois pas que le ministère ou le gouvernement assume la responsabilité de garantir la situation et c'est la raison pour laquelle on a inséré ces dispositions.

[Texte]

Mr. Horner: I have a question that deals with this provincial case. If it was proven that it was no fault of the farmer, but that the provincial laboratories ruled that the cream could not be sold, would the federal government then send out their food and drug inspector to corroborate what the provincial people have found out and thereby allow that person to receive compensation under this Act?

Mr. Phillips: Yes, this is possible. Indeed, that is what happened in the British Columbia case. The Province referred it to the Food and Drug section explaining the case as they found it, and then Food and Drug examined the matter.

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Mr. Horner: In a sense it would be almost automatic that all provincial cases would be inspected?

Mr. Phillips: I would say yes, following this bill.

Mr. Horner: In this particular case it seemed to be grain that the farmer had purchased that had the residue in it, which was thereby passed on into the cream. How many cases, or what is the feasibility of this happening again, this grain having residue in it? Why would grain have residue in it? From faulty application of the pesticide?

Mr. Phillips: Yes, Mr. Chairman, that could certainly be the case. You may recall that on Tuesday I indicated that it was suggested here that in terms of grain, it is exceptional where there is residue on grain other than materials from seed treatments. But there could be drifts from the road and so on, if somebody were applying something to the roadway.

Mr. Horner: Excuse me. It would have to be drifted right on to the mature grain itself, would it? Or could it drift into the growing plant and turn up in the seed?

Mr. Phillips: It could that way. I said material seed treatment. There is such a thing as dieldrin seed treatment too, but just to complete what I started to say and to comment on what I said Tuesday, it does not take

[Interprétation]

M. Horner: J'ai une question qui a trait à cette cause provinciale. Si on a prouvé que la culpabilité n'était pas celle du cultivateur, mais que les laboratoires provinciaux avaient décidé que la crème ne pourrait pas être vendue, est-ce que le gouvernement fédéral enverrait alors les inspecteurs de la Direction des aliments et drogues pour vérifier ce que les fonctionnaires provinciaux avaient trouvé et par conséquent permettre à cette personne de recevoir une indemnité en vertu de la Loi?

M. Phillips: Oui, c'est possible. D'ailleurs, c'est ce qui s'est produit effectivement dans le cas de la Colombie-Britannique. Les autorités provinciales ont renvoyé le cas à la Direction des aliments et drogues avec leurs explications et ensuite la Direction des aliments et drogues a examiné l'affaire.

M. Horner: Et alors, ça serait presque automatique dans un sens. Tous les cas dans les provinces seraient alors inspectés.

M. Phillips: Oui. Je dirais oui à la suite de l'adoption du bill.

M. Horner: Dans ce cas précis, il semble que c'était le grain acheté par le cultivateur qui contenait des résidus qui ont ainsi passé dans la crème. Quel serait l'aspect pratique dans ce cas-ci, est-ce que cela pourrait se produire encore une fois, est-ce que le grain pourrait comporter des résidus et pourquoi comporterait-il des résidus? A la suite de l'emploi fautif des pesticides?

M. Phillips: Oui, ça serait certainement le cas.

Si vous vous souvenez bien, mardi, j'ai indiqué qu'on m'avait dit, en ce qui concerne le grain, que c'est plutôt une exception lorsqu'on trouve des résidus dans le grain autre que le matériel provenant du traitement des semences. Il se pourrait que cela se produise à partir d'une route par exemple, si on appliquait des produits chimiques sur la route.

M. Horner: Excusez-moi, il faudrait alors que ce soit soufflé sur le grain mûr lui-même n'est-ce pas? Ou est-ce qu'ils pourraient s'introduire dans la plante croissante et qu'on pourrait les retrouver dans la semence?

M. Phillips: C'est possible. J'ai parlé du traitement de la graine de semence. Il existe aussi un traitement des semences au dieldrin, mais j'avais commencé à dire et je reprends ce que j'ai dit mardi, il ne faut pas beaucoup

[Text]

very much residue in a forage or a grain if there is continuous feeding to build up in the fat of milk.

Mr. Horner: In this particular case, the cream had the residue in May and June. You would think that at this time when cattle were on the lush spring pastures there would be less chance of this turning up with the grain having that effect.

Mr. Phillips: Unless it was a soil residue.

Mr. Horner: A soil residue of continuing nature. Should not this Act then have some retroactive effect?

Mr. Phillips: I think Mr. Oslon or Mr. Williams explained that if goods were withheld from sale following the passage of this Act, then they would be eligible for compensation. If the action of the Food and Drug Directorate was taken following the passage of this Act, then they would be eligible. But it is not designed to cover sales that were stopped prior to the passage of this Act.

Mr. Horner: Well, I think you should take a look at some of the causes that brought about this Act. There are reasons for bringing in this Act. Some of these cases were definitely justifiable for compensation, or somebody must have felt they were justified or the Act would not be before us at this time.

Mr. Phillips: The only case that has come up where it has been demonstrated that it was probably through no fault of the farmer, and related to a registered pesticide used in accordance with the directions, was the one in British Columbia where, pending the passage of legislation like this, ex gratia payments were made to all the farmers.

Mr. Lind: Did the Minister recover from the manufacturer in that case?

Mr. Phillips: No. In this case, as near as we could pin it down, a portion of it at least resulted from residue in the soil which could well have been there from using aldrin according to directions in earlier years on potatoes. A new farmer bought it and he was not in potato production. He was in milk production and produced forage on the land, and that forage contained minute quantities of residue which multiplied when it was in the milk. It was partly that reason, because one

[Interpretation]

de résidus dans la provende ou dans le grain, si la nourriture est constante pour qu'ils s'accumulent dans le gras de lait.

M. Horner: Dans ce cas précis, la crème contenait les résidus des mois de mai et juin. On serait porté à croire que le bétail étant au pâturage du printemps, il y aurait beaucoup moins de chances que cela se produise n'est-ce pas?

M. Phillips: A moins qu'il s'agisse d'un l'adoption de la loi.

M. Horner: Et alors, un résidu dans le sol de nature constante. Est-ce que la loi ne devrait pas comporter une disposition rétroactive?

M. Phillips: Je crois que M. Williams ou M. Olson a expliqué ce cas à l'effet que si on retirait ou empêchait la vente des produits à la suite de l'adoption de cette loi, ils seraient alors en mesure de s'attendre à une indemnité. Si la Direction des aliments et drogues agissait à la suite de l'adoption de la loi ils auraient alors le droit de recevoir une indemnité. Mais la loi n'est pas destinée à couvrir les ventes qui ont été terminées avant l'adoption de la loi.

M. Horner: Je crois que vous devriez peut-être examiner certaines des causes qui ont amené la rédaction de ce projet de loi. Certains des cas étaient définitivement justifiables quant à l'indemnité ou on a dû penser qu'ils étaient justifiables, autrement on n'aurait pas rédigé le projet de loi.

M. Phillips: Le seul cas qui s'est présenté où il a été prouvé que ce n'était probablement pas par la faute du cultivateur, et concernant l'emploi d'un pesticide enregistré selon les directives, est celui de la Colombie-Britannique où, en attendant l'adoption d'une loi comme celle-ci, on faisait des paiements ex gratia à tous les cultivateurs.

M. Lind: Est-ce que le ministre a pu recouvrer du fabricant dans ce cas-là les sommes versées?

M. Phillips: Non, autant que nous avons pu régler le cas, une partie au moins était le résultat de résidus dans le sol qui auraient pu s'y trouver à la suite d'avoir employé l'aldrin selon les directives bien des années auparavant pour les pommes de terre. Un nouveau cultivateur en avait acheté et ne cultivait pas la pomme de terre. Il était producteur de lait et produisait son propre fourrage sur la terre et ce fourrage contenait une légère quantité de résidus, résidus qui se multipliaient dans

[Texte]

part of the episode was through people feeding cull potatoes, and they knew they should not feed cull potatoes because there was a minute amount of residue on potatoes.

[Interprétation]

le lait. C'est en partie la raison, parce qu'une partie de cette épisode a été causée par le fait qu'on employait comme provende les pommes de terre excédentaires, et qu'on savait que ces pommes de terre ne devaient pas être utilisées parce qu'il y avait une légère quantité de résidus sur les pommes de terre.

• 1020

Mr. Williams: I think it is only fair to say, Mr. Phillips, in respect of this particular case, that it was complicated to a considerable extent by a major change in analytical techniques which took place during the course of the investigations. Our research chemists were able to detect quantities in forage with accuracy that could not have been detected earlier, when this investigation first started.

Mr. Horner: Is aldrin still used to any extent?

Mr. Phillips: Aldrin is used. It has additional cautions about using it and not using it on potato crops where you want to subsequently use it for forages, and so on.

Mr. Lind: A further supplementary on this aldrin matter. Are there many manufacturers of this product in Canada?

Mr. Phillips: Manufacturers of aldrin in Canada?

Mr. Lind: Yes.

Mr. Phillips: There are registrants in Canada. I am not certain that the product is manufactured in Canada. It is imported.

Mr. Lind: Do they expect to recover damages for this farmer in this case from the manufacturer?

Mr. Phillips: Mr. Chairman, I tried to explain earlier that at that time it could have been used according to accepted recommendations. The product had been accepted for registration for this purpose and we had no way of knowing at the time the payments were made that it had not been used those four or five years before, not in accordance with directions. It was impossible to determine whether it was. But it could have occurred if he had used it according to directions, so it was assumed he had used it according to directions.

M. Williams: Je crois qu'il serait juste de dire, monsieur Phillips, que dans ce cas-ci, il y a eu des complications considérables par suite d'un changement important dans la technique d'analyse qui s'est produite au cours de l'enquête même. Nos chimistes ont pu déterminer de façon précise les quantités qui se trouvaient dans le fourrage, chose que l'on n'aurait pas trouvée lorsque l'enquête a débuté.

M. Horner: Est-ce qu'on emploie encore l'aldrin en quantité?

M. Phillips: L'aldrin est employée. Elle comporte des avertissements supplémentaires sur son emploi pour les cultures de pommes de terre, si la récolte doit servir plus tard au fourrage, et ainsi de suite.

M. Lind: Une question supplémentaire en ce qui concerne l'aldrin. Y a-t-il plusieurs fabricants de ce produit au Canada?

M. Phillips: Des fabricants d'aldrin au Canada?

M. Lind: Oui.

M. Phillips: Il y a certainement une inscription au Canada, mais je ne suis pas du tout sûr que ce soit fabriqué au Canada, je crois qu'il est importé.

M. Lind: Est-ce qu'ils croient possible de recouvrer du manufacturier les dommages subis par le fermier dans ce cas-là?

M. Phillips: J'ai essayé de dire auparavant, monsieur le président, qu'à ce moment-là on a pu l'utiliser conformément au mode d'emploi accepté. Le produit avait été accepté pour l'inscription à cette fin et nous n'avions aucun moyen de savoir, au moment du versement de l'indemnité, qu'il avait été utilisé pendant quatre ou cinq ans mais sans qu'on se soit conformé au mode d'emploi indiqué. Cela aurait pu se produire même si on l'avait utilisé de la façon indiquée.

[Text]

Mr. Lind: Had the manufacturer warned on his label that this residue would remain in the land for four or five years?

Mr. Phillips: No, it had not. There was no such warning.

Mr. Olson: The technology at that point was not such as to indicate that in this case there would be residue that could come up in the growth of forage crops and subsequently into animal fat.

Mr. Lind: I realize that. But further to this, who is the Act to protect, the manufacturer or the farmer?

Mr. Olson: It is to protect the farmer who has his crops withheld from sale in the marketplace by Food and Drug, and that is what happened, I understand, with the milk from this farm or farms.

Mr. Lind: How many cases do we have across Canada?

Mr. Phillips: The two cases that were mentioned on Tuesday were the only cases that we are aware of at the federal level where there was a significant loss. In one case we know it was aldrin, and in the other case it is uncertain as to what it was, or what the cause was.

Mr. Lind: Two cases.

Mr. Phillips: Yes.

Mr. Williams: One case involved three farmers. I think it is fair to say the British Columbia one was not a single-farmer case.

Mr. Lind: It involved those growing potatoes in that area.

Mr. Williams: Those that had grown potatoes. In no cases were potatoes held off the market at the time.

Mr. Lind: What about the other farmers who were using this product? Was their land contaminated?

Mr. Olson: It may or may not have been. But the point in question here is that their product was not condemned, if you want to call it that, or they were not prohibited from selling the milk.

Mr. Williams: I think it is fair to say that there is evidence that there are some other

[Interpretation]

M. Lind: Est-ce que le fabricant, sur l'étiquette, avait indiqué que les résidus demeureraient dans le sol pendant quatre ou cinq ans?

M. Phillips: Non.

L'hon. M. Olson: La technique à ce moment-là n'était pas suffisamment avancée pour indiquer que les résidus pourraient se présenter plus tard dans le fourrage et par conséquent dans la graisse animale.

M. Lind: Oui je comprends, mais est-ce que le projet de loi veut protéger le fabricant ou le cultivateur?

L'hon. M. Olson: Il veut protéger le cultivateur qui ne peut vendre ses produits parce qu'il en est empêché par la Direction des aliments et drogues. C'est ce qui s'est produit, si j'ai bien compris, en ce qui concerne le lait provenant de cette ferme ou de ces fermes.

M. Lind: Combien de cas ont été signalés d'un bout à l'autre du pays?

M. Phillips: Les deux cas qui ont été mentionnés mardi sont les seuls, à notre connaissance, où il y a eu une perte considérable. Dans le premier cas, il s'agissait bien de l'aldrine, mais dans l'autre, nous n'en connaissons pas la cause.

M. Lind: Deux cas.

M. Phillips: Oui.

M. Williams: L'un des cas impliquait trois cultivateurs. Je crois qu'il est juste de dire que le cas signalé en Colombie-Britannique touchait plus d'un cultivateur.

M. Lind: Les cultivateurs touchés s'adonnaient à la culture de la pomme de terre dans ce secteur.

M. Williams: La culture de la pomme de terre, et jamais ce produit n'a été retiré du marché, à cette époque-là.

M. Lind: Qu'est-il arrivé aux autres fermiers qui utilisaient le même produit? Leurs terres ont-elles été contaminées?

L'hon. M. Olson: Peut-être, peut-être pas, mais en fait, le produit n'a pas été condamné, ou si vous préférez, on ne les a pas empêchés de vendre le lait.

M. Williams: Je crois qu'il est juste de dire qu'il y a certains autres cultivateurs dans

[Texte]

farmers in that area who have some levels of contamination in their land. But, in general, they have adjusted their production practices, they have taken the help of this and produced products that do not take it up or in which it is not a sensitive commodity.

• 1025

Mr. Lind: Are we certain of this?

Mr. Williams: In which way, Mr. Lind?

Mr. Lind: That there is no further contamination?

Mr. Williams: The products coming out of that area have been kept under scrutiny, if that is what you mean. Yes. It is a relatively very small area, a very small pocket of the total area involved. I am not certain what it is. The total valley is only some 5,000 acres in extent.

Mr. Horner: In other words, when a residue is found, the total area around that particular location is examined very closely, would you say?

Mr. Williams: The normal procedure followed by the Food and Drug Directorate in matters of this nature is that if a residue is found, it is usually found at the commercial level, somehow. That is to say, it may be in butter, it may be in bulk milk, it may be in something of that nature. The next procedure, then, is to try and trace it back to its source, and they break down their samples to the various suppliers supplying that bulk in which it was found. So, in general, the statement you have made is correct, that the whole area is scrutinized.

Mr. Horner: In that particular case, Dr. Phillips said on Tuesday that the farmers could have carried on if they had only continued growing potatoes. Yet you said it was because of the feeding of cull potatoes that the animals stored up the residue in their fat. In other words, the residue must have been in the potatoes. How could they then continue to grow potatoes? If the aldrin was in the soil, would the residue not continue to show up in the potatoes?

Mr. Phillips: The main product of the valley is potatoes, and these farmers that have the difficulty were not in potato production. But cull potatoes, as you know, are sold for next to nothing, and these farmers were buying their cull potatoes from the other people. The level of residue in a potato is infinitesimal. But the rule-of-thumb I use is that a

[Interprétation]

la région qui ont un certain niveau de contamination dans leur sol, mais en général, ils ont modifié leurs habitudes pour donner des produits qui soient sûrs.

M. Lind: Sommes-nous sûrs?

M. Williams: Dans quel sens, monsieur Lind?

M. Lind: Qu'il n'y a plus de contamination?

M. Williams: Les produits qui viennent de cette région sont examinés très attentivement. C'est une région plutôt restreinte, plutôt limitée. Je ne suis pas trop sûr de la superficie, mais il s'agirait d'au plus 5,000 acres.

M. Horner: En d'autres termes, quand on trouve un résidu, toute la région avoisinante est examinée très attentivement, si j'ai bien compris ce que vous avez dit?

M. Williams: Règle générale, la Direction des aliments et drogues trouve ces résidus au niveau commercial, c'est-à-dire dans le beurre, dans le lait ou quelque chose du genre. Ensuite, ce que fait la Direction c'est de remonter à la source. On remonte ainsi aux différents fournisseurs qui ont fourni leurs produits dans cette zone ou cette région. Vous avez donc raison de dire qu'on examine toute la région.

M. Horner: Dans ce cas particulier le docteur Phillips a dit mardi que les cultivateurs auraient pu continuer s'ils s'étaient tournés vers la culture de la pomme de terre. Mais, vous avez dit que c'est en raison du fourrage de pommes de terre que les animaux ont accumulé ce résidu dans leur graisse. Si l'aldrin se trouvait dans le sol, est-ce que le résidu ne se retrouvait pas dans la pomme de terre?

M. Phillips: Le produit principal de cette vallée c'est la pomme de terre. Les cultivateurs qui ont éprouvé certaines difficultés ne produisaient pas la pomme de terre. Mais, comme vous le savez, les pommes de terre excédentaires coûtent très peu cher et alors ils achetaient des autres producteurs les pommes de terre pour le fourrage, la provende.

[Text]

residue in feed can multiply by 11, and this is what you will get in the fat.

The Chairman: Gentlemen, I now have before me the amendment submitted by Mr. Gleave. It is moved by Mr. Gleave. It is proposed that it should come under Section 3, subsection (5). I shall read it, and then I would like to make one observation.

The compensation paid to the farmer in any instance shall not be less than 90 per cent of the real market value of any product at the time of loss.

May I suggest to the Committee that under Clause 4, section (e) ...

(e) prescribing the terms and conditions for the payment of compensation under this Act;

would probably be the time and the place for this kind of an amendment or addition or whatever else. Does that sound reasonable to the Committee? We are dealing with Clause 3. I am suggesting that the proposed amendment could probably better be dealt with under Clause 4, under (c), or under (e).

Mr. Barrett: Mr. Chairman, put it on and put it aside.

The Chairman: Is it the wish of the Committee to carry Clause 3?

An hon. Member: Carried.

The Chairman: Thank you. We will commence our consideration of Clause 4, and I will recognize Mr. Lind. You have a question?

Mr. Lind: I am on Clause 5, thank you.

The Chairman: You are on Clause 5. Mr. Horner on Clause 4.

Mr. Horner: I was concerned about regulations that are going to come out of Clause 4. Are there going to be a set of prescribed regulations as to who may sell and how it shall be sold, pesticides generally?

Mr. Olson: That is in the other Act.

Mr. Horner: Would it be all entirely in the other Act?

[Interpretation]

Le niveau de résidu dans la pomme de terre est très petit, mais le résidu dans la provende peut se multiplier par onze. Et c'est ce que vous obtiendrez dans la graisse.

Le président: Je m'excuse. J'ai maintenant devant moi le projet d'amendement proposé par M. Gleave.

Proposé par M. Gleave. Il est proposé de l'insérer à l'article 3, paragraphe e). Je voudrais en donner lecture, puis faire une remarque.

L'indemnité versée au cultivateur à chaque occasion ne sera pas inférieure à 90 p. 100 de la valeur commerciale réelle du produit au moment de la perte.

Puis-je dire que l'article 4, paragraphe e)

e) prescrivant les modalités pour le paiement d'une indemnité en vertu de la présente loi;

serait probablement le moment voulu et l'endroit voulu pour présenter un amendement de ce genre ou une addition ou quelque chose d'autre. Est-ce que cela vous semble raisonnable?

A l'heure actuelle, nous étudions l'article 3 mais je suggère que le projet d'amendement pourrait peut-être être mieux étudié à l'étape de l'article 4, au paragraphe c) ou e).

M. Barrett: Alors, mettons-le de côté tout simplement, monsieur le président.

Le président: Très bien. Alors, est-ce que le comité veut adopter l'article 3?

Une voix: Adopté.

Le président: Merci. Nous allons maintenant étudier l'article 4. Monsieur Lind d'abord, vous avez une question.

M. Lind: Non, elle touche l'article 5.

Le président: Monsieur Horner, sur l'article 4.

M. Horner: Ce qui m'inquiétait ce sont les règlements qui découleront de l'article 4. Est-ce qu'il va y avoir un certain nombre de règlements pour établir qui va vendre et comment seront vendus les pesticides?

L'hon. M. Olson: C'est inclus dans l'autre loi.

M. Horner: Est-ce que ce sera entièrement dans l'autre loi?

[Texte]

Mr. Olson: Yes, in the Plant Quarantine Act. That is Bill C-154.

Mr. Horner: Generally speaking, I would like to see as much as possible in the Act itself rather than in the regulations. I am a little bit disappointed that the Minister has gone to the trouble of outlining eight ways in which regulations will be prescribed and devised, yet in no case laying down the regulations. Surely we could have done a better job in prescribing claiming for compensation in the whole list here. Surely we could have outlined the regulations in the Act a little better, rather than just describing what the regulations shall pertain to.

• 1030

Mr. Olson: Mr. Chairman, if I may reply to that, I think that we have done in the draft here of section 4 exactly what Mr. Horner wants in giving all that detail of the manner in which the regulations will be attached to the Act; because we could, of course, have just put in subclause (h) which says:

generally for carrying out the purposes and provisions of this Act.

But in compliance with what you have just suggested we spelled it out in a great deal more detail and put that in the bill.

Mr. Horner: Look at clause (e), for example:

prescribing the terms and conditions for the payment of compensation under this Act;

Surely we are entitled to know the terms and conditions, and not just be told that they will be in the regulations.

Mr. Olson: Mr. Chairman, there are other details that are always put in the regulations for any act. A great many of the terms and conditions are laid out in clause 3, for example, and in clause 5 and in several of the other clauses there is a great deal of this spelled out; and the terms and conditions and all of the other procedures that will be in the regulations obviously must be in compliance with the clauses of this bill.

Mr. Horner: Have the regulations been drafted?

Mr. Olson: Not in legal form, nor completely.

[Interprétation]

L'hon. M. Olson: Oui, dans le projet de loi C-154.

M. Horner: Je préférerais qu'on en inclue le plus possible dans la loi plutôt que dans les règlements. Je suis un peu déçu de ce que le ministre ait indiqué huit façons d'établir les règlements mais sans préciser quels seront ces règlements. Nous aurions certainement pu faire davantage, et indiquer ces règlements dans le projet de loi même plutôt que de n'indiquer que les sujets sur lesquels porteront les règlements.

L'hon. M. Olson: Monsieur le président, si vous me permettez de répondre. Je crois qu'au cours de l'étude de l'article 4 nous avons précisément fait ce que demande monsieur Horner en donnant les détails relatifs aux modalités d'annexion des règlements à la Loi concernant les modalités dont les règlements seront annexés à la loi, parce qu'on aurait dû l'inclure par exemple, dans le paragraphe h) qui dit:

d'une façon générale, pour la réalisation des objets et l'application des dispositions de la présente loi.

Mais comme vous l'avez dit, nous l'avons mis en détail dans le projet de loi.

M. Horner: Prenons, par exemple, le paragraphe e):

prescrivant les modalités pour le paiement d'une indemnité en vertu de la présente loi;

Certainement, nous avons le droit de connaître quelles sont les conditions, les modalités, sans simplement savoir qu'elle sont incluses dans les règlements.

L'hon. M. Olson: Eh bien, monsieur le président, il y a d'autres détails qui sont toujours prévus pour les règlements de toutes les lois, quelles qu'elles soient. Vous en trouvez, par exemple, en détail à l'article 3, à l'article 5, et dans un certain nombre d'autres articles. On a bien veillé à ce que les conditions et modalités et autres conditions des règlements soient conformes, évidemment, aux articles de la loi.

M. Horner: Est-ce que les règlements ont été rédigés déjà?

L'hon. M. Olson: Pas sous une forme juridique et pas complètement.

[Text]

Mr. Horner: Could the Committee see a copy of the regulations while we are dealing with this bill—not necessarily in legal form, but in rough draft.

Mr. Olson: Mr. Chairman, it is not traditional or standard practice to provide the regulations, or, indeed, to complete the drafting of them, until we see what the Act is and it is passed.

It is pretty difficult to write regulations giving support administrative rules, so to speak, to meet the terms and conditions of the Act until we have the Act.

Another aspect, of course, is that conditions may change, and regulations have to be changed in accordance with those conditions and still meet the provisions of the Act.

Mr. Horner: I am fully prepared to agree with the Minister that conditions change and that regulations must perhaps change with times and conditions, but the rules of the House of Commons have changed. We now have the bill handed to us before we enter upon a committee study and there is no reason whatsoever for our not getting a rough draft of the regulations to assure us that this Act will be set up in complete agreement with the wishes and intent of the Committee that is passing on it.

We should have a rough draft of the regulations, rather than such a clause as clause (b), for example, prescribing the methods to be used to determine the eligibility of any farmer for compensation. Surely we can be given a rough idea.

I cited this morning a case where the provincial examiner had ruled that the products could not be sold. I asked the question, "Will all provincial examinations be re-examined by the Food and Drug Directorate?" We were told that after the Act passed perhaps they would, or we were assured they would. Surely we should have a better idea than that of the method to be used in determining the eligibility of a farmer, so that I can go home and assure my farmers of the methods that will be used in any particular case to determine whether or not he is at fault—whether he should have purchased the contaminated grain, or was at fault because he did not have the grain tested before he fed it to his cows.

• 1035

I do not think he was, but I am not assured by those loosely worded prescription that the Department may at some future date decide

[Interpretation]

M. Horner: Est-ce que le comité pourrait voir un exemplaire de ces règlements puisqu'on étudie le projet? Pas un exemplaire officiel, mais simplement un avant-projet, un brouillon.

L'hon. M. Olson: Ce n'est pas la coutume que de fournir les règlements, ni même que de terminer la rédaction de ces règlements avant de savoir ce qu'est la loi et avant que la loi soit votée.

Il est très difficile de rédiger des règlements établissant l'application administrative de la loi avant d'avoir la loi elle-même. La deuxième chose aussi, c'est que les conditions peuvent varier et les règlements peuvent devoir être modifiés en fonction des conditions, tout en respectant la loi.

M. Horner: Je suis parfaitement d'accord avec le ministre. Les conditions peuvent changer, et les règlements doivent changer en fonction des changements des conditions, mais je dois lui dire que les règlements de la Chambre des communes ont changé. Maintenant, on nous soumet un projet de loi avant de l'étudier en comité, et il n'y a absolument aucune raison pour que l'avant-projet de règlement ne puisse nous assurer que cette loi va être appliquée conformément aux désirs et aux intentions du comité.

Nous pourrions avoir un avant-projet des règlements, au lieu, par exemple, du paragraphe b): prescrivant les méthodes à employer pour déterminer le droit d'un cultivateur à une indemnité. Certainement, on pourrait indiquer de quelle manière cela pourrait être fait.

J'ai parlé, plus tôt, d'un inspecteur provincial qui avait décidé que les produits ne pouvaient être vendus.

Je pose la question suivante: est-ce que tous les examens offerts dans les provinces seront ensuite, à leur tour, réexaminés par l'inspecteur de la Direction des aliments et des drogues? On nous a dit qu'ils le seraient peut-être une fois que la loi sera votée, et même qu'ils le seraient certainement. Il est certain que si on nous indiquait la nature des méthodes d'examen, cela nous permettrait d'avoir une meilleure idée de ce qu'on va avoir. Comme cela, je peux rentrer chez moi et renseigner mes agriculteurs sur la méthode qui sera utilisée dans n'importe quel cas particulier, pour déterminer si oui ou non ce fermier était en faute, s'il avait acheté le produit contaminé, ou s'il avait tort ou non parce qu'il n'y avait pas eu de vérification auparavant. Je ne pense pas, dans ce cas-là, mais

[Texte]

that he should not have bought that grain, or that he should have had it tested before he brought it.

The Chairman: May I ask Mr. Horner if there is some obvious omission here that he wishes to draw to the attention of the Committee?

Mr. Horner: I am merely saying that this is the first bill to be passed upon under our new rules. One of the standard complaints about the old system of agreeing to the principle on second reading and then going into a clause-by-clause study in the House in Committee of the Whole was that we could not examine; and we were told that we could not call outside witnesses in the House of Commons—that we could not do a lot of things. I am suggesting now that precedent should be set, that imagination should be shown by the Minister and by you, Mr. Chairman, and that a rough draft of the regulations accompany the bill to the Committee to give us a better idea about how the provision of this bill will apply to conditions across the country.

The Chairman: After the bill has been pursued the regulations could be reviewed by the committee.

Mr. Barrett: If anybody ever wants it and you have to get it you are going to be guaranteed it.

The Chairman: Order, gentlemen. Would Mr. Horner agree that after this bill has been accepted the Committee could ask to have the opportunity of reviewing the regulations thereunder. Would that not be a very reasonable request, Mr. Olson?

Mr. Olson: The government would be in error if it drafted regulations that did not conform to the intent and spirit of the Act. This is a legislative committee, as a branch of the House of Commons, to lay down the law, and the responsibility of the department is to recommend to the Governor in Council the regulations that will give effect to the law that has been passed by this Committee and by the House of Commons.

Mr. Horner: The point I am trying to make, Mr. Olson, through you, Mr. Chairman, is that I have no question about the intent of the government, or the intent of the Minister. I am concerned about the application of the

[Interprétation]

néanmoins je n'en suis pas certain, à la lumière de cette description très vaseuse selon laquelle le ministère pourra, à une date ultérieure, trancher la question, savoir: qu'il n'aurait pas dû acheter ce grain avant de l'avoir fait analyser.

Le président: Est-ce que je pourrais demander à M. Horner s'il y a dans ce texte une omission qu'il voudrait voir réparer par le comité?

M. Horner: Eh bien, disons que c'est la première fois que nous avons un projet de loi qu'il faut voter d'après le nouveau règlement. Une des plaintes qu'il y avait toujours dans l'ancien système, c'était qu'on ne pouvait pas, à l'étape de la deuxième lecture, et au comité plénier de la Chambre, on ne pouvait pas convoquer les témoins de l'extérieurs. On ne pouvait pas faire beaucoup de choses.

Alors, ce que je veux dire maintenant, c'est qu'il faut faire un précédent. Il faut que le ministre et vous-même, monsieur le président, fassiez preuve d'imagination dans la rédaction de ce texte pour que le projet de loi qui arrive devant le comité permette au comité d'avoir une meilleure idée de l'application de cette loi selon les conditions locales.

Le président: Après que vous aurez pris connaissance du projet de loi, le comité étudiera les règlements.

M. Barrett: Si quelqu'un le veut et vous devez le demander, vous en serez responsable.

Le président: Messieurs, s'il vous plaît. Je me demande si M. Horner est d'accord pour reconnaître qu'il n'y a pas de raison, une fois que le projet de loi aura été adopté, pourquoi le comité ne pourrait pas, examiner les règlements afférents à ce projet de loi. Je pense que ce serait là une demande assez raisonnable, monsieur le ministre.

L'hon. M. Olson: Le gouvernement ferait une erreur s'il rédigeait des règlements qui ne seraient pas conformes à l'esprit de la loi. Le devoir du comité de la Chambre des communes est de préparer des lois, et il appartient au ministère de soumettre au gouverneur un conseil des règlements relatifs à l'application de la loi adoptée par le comité et par la Chambre.

M. Horner: Monsieur le président, monsieur le ministre, ce que je veux dire, c'est que je ne doute pas des intentions du ministre ni du gouvernement. Ce qui m'intéresse, c'est l'application de la loi dans la mesure où cela

[Text]

Act as it affects the farmers whom I am supposed to be here representing.

Mr. Barrett: You are supposed to be.

Mr. Horner: Before I buy a pig in a poke—a blanket set of regulations—I want to be assured, relative to such cases as I have cited. I know, for example, that in British Columbia the farmers were very dissatisfied...

Mr. Olson: There was no Act at that time.

Mr. Horner: With the compensation paid. Whether they were justified in being dissatisfied I cannot say, but I know they were.

I also know that in all probability cases will arise again if we do not know exactly what effect the application of this act is going to have and I say to you, Mr. Olson, through you, Mr. Chairman, that great consideration should be given to the thought that a rough draft of the regulations accompany bills to committee.

I am not saying they should be the exact regulations—I am not saying that I could hold you to them—but rather than asking a committee to pass a clause such as this clause 4, dealing with regulations you should give us along with it a rough draft of the regulations.

For example, you may be omitting one section, one thought, or one area of concern, and a member of the Committee could then say that he agreed with the prescribed intent of the bill but that something else should also be in the regulations.

• 1040

The member for Saskatoon-Biggar has moved a very good amendment under this clause, specifically spelling out what he believes—as I think do most of the members of this Committee—the compensation should be.

We, in the Committee, should also have a chance to examine and adjust the regulations. Members could better review the situation if they knew exactly how the regulations were going to apply to the bill, and thereby perhaps many amendments in future years could be obviated.

Mr. Olson: Mr. Chairman, I wish to assure Mr. Horner that, as he has suggested, a great deal of care will be taken by the Department in drafting the regulations so that they do, in fact, give as precisely as possible the administrative effect of the terms and conditions laid down within the law when this Act is passed.

Mr. Horner: I think I have made my point and I hope that the Minister will give it further consideration.

[Interpretation]

touche les cultivateurs que je suis censé représenter.

M. Barrett: Vous êtes censé...

M. Horner: Je veux être certain, avant de voter un texte général de ce genre, que les cas que j'ai cités... Prenez, par exemple, le cas de la Colombie-Britannique où les cultivateurs ont été très mécontents.

M. Olson: La loi n'existait pas, alors.

M. Horner: Ils étaient très mécontents de l'indemnisation qui leur avait été versée. Maintenant, est-ce qu'ils avaient tort d'être mécontents ou non, je n'en sais rien. Ce n'est pas à moi de le dire, mais disons qu'ils n'étaient pas contents. Je sais également qu'il y aura peut-être encore des cas qui vont se présenter si nous ne savons pas exactement dans quelle mesure cette loi pourra être appliquée. Je vous le dis, monsieur le président, et monsieur le ministre, il faut veiller à ce que ces avant-projets de règlements soient transmis au comité avec le projet de loi.

Je ne vous demande pas le projet complet et définitif, mais il serait préférable, avant de voter sur ce projet de loi que l'on connaisse les règlements d'application.

Par exemple, vous avez peut-être oublié un élément, un domaine, et quelque membre du comité pourrait bien dire: Oui, je suis d'accord avec les intentions qui vous ont guidés dans ce projet de loi, mais je pense que vous devriez également tenir compte de cela dans le règlement.

Le député de Saskatoon-Biggar a déposé un amendement dans ce sens, très bon d'ailleurs, où on dit très clairement ce que, d'après lui, (et je pense que c'est valable pour tous les membres du comité) devraient être les indemnités versées. Il faudrait également que nous ayons la possibilité, ici, au comité, d'examiner et d'adapter les règlements. Je pense que les députés comprendraient mieux s'ils savaient exactement comment les règlements s'appliqueront plus tard au projet de loi et évitant ainsi des modifications ultérieures.

L'hon. M. Olson: Monsieur le président, je voudrais que M. Horner soit assuré que toute l'attention dont il a parlé sera donnée par le ministère dans l'avant-projet des règlements, afin qu'ils donnent, avec le plus de précision possible, l'effet qu'auront les conditions prévues dans le projet de loi, lorsqu'il aura été adopté.

M. Horner: Je pense que j'ai expliqué clairement ce que je voulais dire et j'espère que le ministre y apportera son attention.

[Texte]

The Chairman: I will now recognize Mr. Clermont.

M. Clermont: Monsieur le président, à l'article 4...

M. Roy (Laval): J'en appelle au Règlement, monsieur le président. J'avais demandé la parole lors de l'étude de l'article 3, mais l'honorable député de Crowfoot a commencé à parler et je l'ai laissé continuer. Je voudrais mentionner ici un point concernant les résidus. Il y a deux ans, je crois, nous avions fait faire des analyses sur des épinards, et nous avions décelé des traces de nitrate dans le feuillage.

A ce moment-là, nous avons reçu une pétition, je pense, de l'Association des jardiniers maraîchers qui avait envoyé un mémoire, ici, à Ottawa. Je voudrais demander à M. Phillips s'il a reçu ce mémoire? Pour reprendre ma question: est-ce que vous auriez reçu un mémoire concernant les sources de nitrate sur les épinards?

Mr. Williams: I can only speak from hearsay in respect to this particular case. It was my understanding that representations were received by the Food and Drug Directorate of the Department of National Health and Welfare concerning the possibility of high nitrate content in certain baby foods. It is my understanding, however, that all the investigational work that has been done by the Food and Drug has indicated that there is no danger whatsoever in this country. My understanding is that there has been a problem in some parts of another country, where excessively high nitrogen fertilizers have resulted in some increase in nitrates in certain baby foods. However, I did read a report—I am not reporting factually here, I am speaking solely from hearsay—that this had been investigated in this country and there was no problem here.

Mr. Gleave: On a point of procedure, now that we are on Clause 4 may I move my motion under the appropriate section?

The Chairman: Would you agree that it probably comes under Clause (c) or (e)?

Mr. Barrett: Let him make it now. What difference does it make.

Mr. Gleave: If there is any reason it should not be considered, all right, but I fail to see why it should not be considered at this time, Mr. Chairman.

• 1045

The Chairman: I do not think there is any particular reason that it could not be consid-

[Interprétation]

Le président: Monsieur Clermont.

Mr. Clermont: Mr. Chairman, under clause 4...

Mr. Roy (Laval): Point of order, Mr. Chairman. I asked to speak while clause 3 was under consideration, but the hon. member from Crowfoot talked and I could not say what I wanted to say. I wanted to raise a point concerning residues. I think that two years ago we had some analyses made on spinach which revealed traces of nitrates in the foliage.

At that time we had received a petition, I believe, from the Market-gardeners' Association who had sent a brief here, to Ottawa. I would like to ask Mr. Phillips whether he has received this brief? To return to my question: have you received a brief regarding the sources of nitrates on spinach?

Mr. Williams: Je ne peux vous dire que ce que j'ai entendu dire dans ce cas-ci. Je croyais que la Direction des aliments et des drogues du ministère de la Santé avait reçu certains commentaires au sujet de la teneur en nitrate de certains aliments pour bébés. Je crois savoir que toutes les enquêtes qui ont été faites ont démontré qu'il n'existe aucun danger au pays. Un problème a été signalé dans un autre pays où l'utilisation de certains fertilisants a entraîné une augmentation de la teneur en nitrates dans certains aliments pour bébés. J'ai pris connaissance d'un rapport (je ne rapporte pas des faits vérifiés, mais plutôt ce que j'en ai entendu dire) qui déclarait qu'une enquête a été menée ici et que le problème n'existe pas.

Mr. Gleave: Est-ce que je peux déposer ma motion sur l'article 4, puisque nous y sommes?

Le président: Ne croyez-vous pas qu'elle tombe plutôt sous le paragraphe c) ou e)?

Mr. Barrett: Qu'il la présente maintenant. Ça ne change rien.

Mr. Gleave: S'il y a une raison qui en empêche l'étude maintenant, très bien. Mais j'ignore pourquoi elle ne pourrait être étudiée à ce moment-ci.

Le président: Je ne vois aucune raison spéciale qui nous empêcherait de le faire. Je

[Text]

ered at this time. I think that is fair because, after all, you did present the amendment under the former clause, which has since been carried. I think your point is well taken. I will recognize you and if you wish to have your amendment put, I will be so directed. Gentlemen, there may be room for a little bit of discussion here. So you want to put your amendment as an addition under subclause (c) of Clause 4? It reads:

(c) prescribing the methods to be used in determining the amount of loss occasioned to a farmer and the maximum amount of compensation to be paid with respect to any loss shall not be less than 90 per cent of the market value of the product at the time of loss;

Would you be so kind as to rewrite subclause (c) and include your amendment. We will then have it in writing and we will put it forward as soon as you have completed it. In the meantime I will recognize one or two other questioners.

Mr. Gleave: I do not see the need to rewrite it. All you need to do as I read it is simply add, "and that the compensation to the farmers shall not be less than 90 per cent of the real market value of the product at the time of loss".

The Chairman: It is a question of your writing it or I will write it myself.

Mr. Barrett: Let him write it.

The Chairman: I think it would be more appropriate if you were to write the clause and add your addition to it and then I will present it when I receive it. In the meantime I will proceed by recognizing Mr. Clermont and Mr. Barrett.

M. Gauthier: Monsieur le président, je veux vous demander si la motion du député NDP ne ferait pas plutôt partie des règlements eux-mêmes? A l'article 4, on parle de règlements et on semble donner l'autorité au gouverneur en conseil d'établir des règlements. On dit: «Le gouverneur en conseil peut établir des règlements prescrivant les procédures à suivre, etc.» On donne tout simplement, à mon avis, au gouverneur en conseil la permission de faire des règlements basés sur cette loi.

Je crois que la motion qui définit le pourcentage fait beaucoup plus partie des règlements que le gouverneur en conseil peut

[Interpretation]

pense que c'est juste parce qu'en fait vous avez soumis l'amendement lors de l'étude de l'article précédent qui a maintenant été approuvé. Je vous donne la parole et si vous voulez que votre amendement soit déposé, eh bien, je vais agir en conséquence. Messieurs, on pourrait peut-être ouvrir la discussion ici. Est-ce que vous voulez mettre votre amendement à la fin du paragraphe c) de l'article 4 qui se lit ainsi:

c) prescrivant les méthodes à employer pour déterminer le montant de la perte subie par un cultivateur et l'indemnité maximum à payer pour toute perte ne sera pas inférieure à 90 p. 100 de la valeur marchande du produit au moment de la perte;

Est-ce que vous auriez l'amabilité de modifier le texte du paragraphe c) en y insérant l'amendement, puis nous l'étudierons. Entre-temps, je donne la parole à d'autres personnes.

M. Gleave: Je ne vois pas pourquoi il faudrait le récrire. Il s'agirait simplement d'ajouter:

«pourvu que les indemnités versées aux cultivateurs ne soient pas inférieures à 90 p. 100 de la valeur marchande réelle du produit au moment de la perte.»

Le président: Si vous ne l'écrivez pas, je le ferai moi-même.

M. Barrett: Qu'il l'écrive lui-même.

Le président: Je crois qu'il serait préférable que vous écriviez le paragraphe en question et que vous y ajoutiez ce que vous désirez. Ensuite je l'accepterai. Entre-temps, la parole est à M. Clermont puis à M. Barrett.

Mr. Gauthier: Mr. Chairman, I wanted to ask you if the motion from the NDP Member would not rather be part of the regulations themselves? In clause 4 reference is made to the regulations and it would appear that the Governor in Council is authorized to make regulations. It says as follows: "The Governor in Council may make regulations prescribing the procedures to be followed, etc. In my opinion, the Governor in Council is simply given the permission of making regulations based on this Act.

I believe that the motion which defines the percentage belongs more to the regulations than that the Governor in Council may set up than

[Texte]

établir plutôt que d'être déterminée dans la proposition de ces règlements à un taux maximum de compensation. Je crois que c'est un article du règlement et non un article du bill.

The Chairman: I may say that your point is well taken. However, it is the right of the hon. member to make this kind of an amendment if he so wishes and direct it to the Chair, and I would have no alternative but to accept it and present it to the Committee. I think if we proceed that way the Committee can then decide whether they want to leave it as it is or to amend these regulations to include the suggestion made by Mr. Gleave or not. That seems like a reasonable approach. We will decide that when we come to it. In the meantime I will recognize Mr. Clermont.

M. Clermont: Monsieur le président, l'article 4 autoriserait le gouverneur en conseil à établir des règlements prescrivant la procédure à suivre pour réclamer une indemnité, etc. Lorsque ces règlements seront établis, monsieur le président, est-ce l'intention du gouvernement de publier ces règlements dans la Gazette du Canada?

The Chairman: Mr. Williams.

Mr. Williams: Yes.

The Chairman: The answer is yes. Mr. Roy, did you have a further question?

Mr. Roy (Laval): No.

The Chairman: Mr. Barrett.

Mr. Barrett: My comments were going to be made in relation to the hon. member from Crowfoot and they have been very aptly answered by the Minister, so I will not have anything further to say at this moment.

The Chairman: Thank you, Mr. Barrett.

Mr. Gleave, is your amendment ready?

Order, please. I recognize Mr. Lambert (Bellechasse).

• 1050

M. Lambert (Bellechasse): Au sujet des règlements, à l'alinéa f), on dit:

excluant tout produit agricole ou toute personne, ou toute catégorie de produits ou de personnes, de l'application de la présente loi prescrivant les conditions d'exclusion;

Je trouve excessivement large une loi qui permettrait un règlement dans ce sens-là.

[Interprétation]

being determined in the proposal of these regulations at a maximum of compensation. I believe that this is a clause of the regulations and not a clause of the bill.

Le président: Si je peux me permettre, je dois vous dire effectivement que vous avez raison de soulever cette question mais c'est à l'honorable député de faire l'amendement qu'il juge bon de faire et, s'il le veut, de le soumettre au président. Je n'aurai alors qu'à l'accepter et à le soumettre au comité. Si nous agissons ainsi, ce sera alors au Comité de décider s'il veut le laisser tel quel ou bien s'il veut amender le règlement afin d'y introduire la suggestion de M. Gleave. Il me semble que c'est là une attitude assez raisonnable. Nous en déciderons lorsque nous aborderons la question. M. Clermont a maintenant la parole.

Mr. Clermont: Mr. Chairman, Clause 4 would authorize the Governor in Council to make regulations prescribing the procedures to be followed in claiming compensation and so forth. When the regulations are set up, Mr. Chairman, is it the intention of the Government to issue them in the *Canada Gazette*?

Le président: Monsieur Williams.

M. Williams: Oui.

Le président: La réponse est affirmative. Aviez-vous une autre question à poser, monsieur Roy?

M. Roy (Laval): Non.

Le président: Monsieur Barrett.

M. Barrett: Je voulais parler sur ce qu'a dit l'honorable député de Crowfoot mais le ministre vient d'y répondre. Par conséquent, je n'ai rien d'autre à ajouter en ce moment.

Le président: Merci, monsieur Barrett. Monsieur Gleave, est-ce que votre amendement est prêt? Y a-t-il d'autres membres qui voudraient parler? Un peu d'ordre, s'il vous plaît. Monsieur Lambert (Bellechasse).

Mr. Lambert (Bellechasse): Paragraph (f) of the regulations states as follows:

...excluding any agricultural product or any person or any class of products or persons from the operation of this Act, and prescribing the conditions of exclusion;

I believe that an Act which permits this kind of regulation is excessively broad in scope.

[Text]

Mr. Olson: Mr. Chairman, this will provide authority for exclusions as has been suggested by the hon. member, but at the present time there is no plan for exclusion. However, it could be used to exclude such things as provincial farms, corporation farms or particular products if it were considered to be in the public interest.

The Chairman: Thank you, Mr. Lambert.

Are there further questioners on Clause 4?

M. Clermont: Monsieur le président, concernant l'amendement qui doit être apporté par notre collègue, M. Gleave, avons-nous le droit de discuter l'amendement, ou s'il doit être présenté par le président après un vote?

The Chairman: We will wait until the amendment has been prepared and delivered to the Chair. I will read it. Then it will be open for discussion, and at that time you will have the opportunity to comment.

M. Clermont: Je n'ai pas l'intention d'en discuter, mais je me demande si on a le droit de le faire au sujet de l'amendement?

The Chairman: Oh, yes we will. Are there further questions?

Mr. Horner: I have a question on Clause 5 if you want to entertain it now, or come back to it later.

The Chairman: I think we will hold it. I have one other questioner on Clause 5. I will put your name down and recognize you later.

Mr. Lessard (Lac-Saint-Jean): Will we hold Clause 4 for the moment?

The Chairman: We are waiting for Mr. Gleave.

Mr. Horner: Mr. Chairman, while we are waiting, I think I should draw to the attention of the Chair and the Committee that we have distinguished company this morning in the person of the Chairman for Alberta of the Regional Desk of the Prime Minister's office. I think that is quite an honour for the Committee to be supervised by someone from such an eminent place.

The Chairman: Thank you, Mr. Horner.

Mr. Horner: Mr. Chairman, I should have mentioned also that we have with us an eminent senator from Alberta taking an interest in this Committee. I wish that more senators

[Interpretation]

L'hon. M. Olson: Monsieur le président, cela permettrait des exclusions comme l'honorable député l'indique mais en fait il n'est prévu, actuellement, aucune exclusion. Mais il pourrait par exemple y avoir les fermes provinciales ou certaines sociétés dans l'intérêt public. Il serait toutefois possible de l'utiliser pour exclure les fermes provinciales, les fermes corporatives ou certains produits, si ce devait être dans l'intérêt public.

Le président: Merci, monsieur Lambert. Y a-t-il d'autres questions à poser sur l'article 4?

Mr. Clermont: Mr. Chairman, regarding the amendment to be submitted by our colleague, Mr. Gleave, are we entitled to discuss it, or does it have to be submitted by the Chairman after a vote is taken?

Le président: Nous allons attendre que l'amendement soit préparé et transmis au président. Je vais vous le lire puis nous allons discuter et à ce moment-là vous aurez la possibilité de donner vos commentaires.

Mr. Clermont: I do not intend to discuss it. I just wonder if we have the right to discuss the amendment, that is all.

Le président: Oh oui, parfaitement.

Y a-t-il d'autres questions?

M. Horner: J'ai une question sur la clause 5, si vous voulez procéder maintenant ou y revenir par après.

Le président: Je pense que nous la retiendrons. J'ai une autre question sur 5. J'inscris votre nom et vous appellerai plus tard.

M. Lessard (Lac Saint-Jean): Retenons-nous la clause 4?

Le président: Nous allons attendre que M. Gleave ait son texte.

M. Horner: Monsieur le président, je voudrais attirer l'attention du président et du comité sur le fait que nous avons des hôtes distingués parmi nous, ce matin. Nous avons le président du bureau du premier ministre pour la région de l'Alberta. Je pense que c'est un honneur pour le Comité d'être en quelque sorte d'être chaperonné par une personnalité aussi éminente.

Le président: Merci, monsieur Horner.

M. Horner: Monsieur le président, j'aurais dû également mentionner que nous avons parmi nous un sénateur qui vient aussi de l'Alberta qui s'intéresse beaucoup aux tra-

[Texte]

would take an interest in the provinces from which they come and I would like to congratulate him for being here.

Mr. Whicher: I doubt if he will come back.

The Chairman: Gentlemen, may I read the proposed amendment to Clause 4, subclause (c), to be amended to read as follows:

prescribing the minimum methods to be used in determining the amount of loss occasioned to a farmer and the maximum amount of compensation to be paid with respect to any loss; and provided that the compensation paid to the farmer shall not be less than 90 per cent of the market value at the time of loss.

Mr. Gleave: Mr. Chairman, there is an error. You said "prescribing the minimum methods", and "minimum" should not be in there. Stroke it out please in the first line.

Mr. Barrett: There should have been an error when you said 90 per cent.

The Chairman: For clarification Mr. Gleave, may I read the part again.

to be paid with respect to any loss; and provided that the compensation paid to the farmer shall not be less than 90 per cent...

Mr. Gleave: Yes.

The Chairman: Gentlemen you have heard the amendment. I will leave it open for discussion. I think the minister wishes to make a comment.

• 1055

Mr. Olson: Mr. Chairman, there are some problems about the language throughout the bill that this will raise. For example, under Clause 3, subclause (3), it says:

The compensation that may be paid by the Minister to a farmer pursuant to subsection (1) in respect of any loss shall not exceed such maximum amount as may be prescribed by the regulations.

And then in subclause (4) it deals with:

—less than any minimum amount that is prescribed by the regulations.

And so on. Many of these things would have to be changed to accommodate this amendment, although I am not going to argue about that, because we can get into a procedure problem. And it may not be the proper place

[Interprétation]

vauX de notre Comité. J'espère que nous aurons plus de sénateurs qui s'intéressent à ce genre de question, je le félicite d'être venu.

M. Whicher: (Je doute qu'il revienne.)

Le président: Eh bien, Messieurs, puis-je vous donner lecture de l'amendement prévu pour l'article 4(c) qui va être amendé de la façon suivante:

Prescrivant le montant minimum à utiliser pour déterminer la perte accordée à un agriculteur et le montant maximum d'indemnisation versée concernant la perte, à condition que l'indemnité versée au cultivateur ne soit pas inférieure à 90 p. 100 de la valeur marchande du produit au moment de la perte.

M. Gleave: Monsieur le président, il y a une erreur. Vous avez dit: «prescrivant le montant minimum à utiliser», «minimum» ne devrait pas figurer; voudriez-vous le barrer s'il vous plaît.

M. Barrett: Il doit y avoir une erreur quand vous dites 90 p. 100.

Le président: Monsieur Gleave, je veux éclaircir les choses. Je relis:

...à payer pour toute perte et à condition que la somme versée au cultivateur ne soit pas inférieure à 90 p. 100.»

M. Gleave: C'est ça.

Le président: Vous avez entendu l'amendement. Vous pouvez en discuter. Je pense que le ministre voudrait faire des commentaires.

L'hon. M. Olson: Eh bien, monsieur le président, il y a un problème de texte dans l'ensemble du projet de loi. Par exemple, à l'article 3, paragraphe (3) il est dit que:

L'indemnité qui peut être payée, en conformité du paragraphe (1), par le Ministre à un cultivateur pour une perte ne doit pas dépasser le montant maximum que peuvent prescrire les règlements.

Puis à l'article 3, paragraphe (4):

...pour une perte lorsque celle-ci est inférieure à tout montant minimum prescrit par les Règlements.

Ainsi de suite. Il va falloir tout modifier pour qu'on ait tout de façon uniforme. Enfin, je ne veux pas discuter... car nous pourrions soulever une question de procédure. Ce n'est peut-être pas le bon endroit de le faire. Mais

[Text]

for it either. But just in so far as the amendment itself is concerned, the intent of the amendment that nothing shall be less than 90 per cent of the assessed value, I am not prepared to accept that kind of an amendment, because I think we need some experience in this.

There are different commodities involved and a very wide variety of possible circumstances and conditions involved here. I think we need to take all of this into account and to have some experience with this Act and leave it as it is now in Clause 4, so that we can change them without having to have an amendment to the Act insofar as these minimum and maximum amounts are concerned.

The Chairman: I have received indications from Mr. Clermont, Mr. Horner and Mr. Barrett who wish to speak, and I will now recognize Mr. Clermont.

Mr. Gleave: Mr. Chairman...

The Chairman: I have recognized Mr. Clermont.

Mr. Gleave: ... on a point of procedure. Since I have put the amendment down, do I not have the privilege of speaking to it?

The Chairman: Well yes, I think you should.

An hon. Member: Not necessarily.

Mr. Gleave: Mr. Chairman, I have asked you for a ruling.

The Chairman: Yes, I certainly think that you should have the opportunity of speaking to the amendment. I think in fairness I should recognize you now.

Mr. Gleave: Well my purpose in this is to assure that the farmer shall have at least this much protection guaranteed to him. I recognize some of the arguments that have been put forward by the Member for Crowfoot with regard to wanting to see the regulations, because the Member from Crowfoot knows, as I do, that you can have government acts, government bills, but also people are going to administer those bills; they are going to put down regulations, and the bill gives them a fair amount of scope.

Since we are dealing with this bill, I think this is one point where the protection to the

[Interpretation]

malgré tout, en ce qui concerne l'amendement lui-même, concernant la portée de l'amendement, voulant que rien ne soit moins de 90 p. 100 de la valeur marchande. Je ne suis pas prêt à accepter cet amendement parce que je pense qu'il faudra que l'on ait quelque expérience dans ce domaine.

Il y a certains produits agricoles intéressés, différentes denrées, et une grande variété de circonstances possibles. Je pense qu'il faudra que l'on tienne compte de tous ces facteurs et que l'on ait quelque expérience en la matière. Je pense qu'il nous faut tenir compte de tout cela et qu'il faudra attendre d'avoir un certain recul pour modifier quoi que ce soit à l'article 4 afin que nous puissions la changer sans avoir besoin d'un amendement à la loi en ce qui concerne les montants maximum et minimum.

Le président: J'ai sur ma liste M. Clermont, M. Horner et M. Barrett. M. Clermont a la parole maintenant.

Mr. Gleave: Monsieur le président.

Le président: J'ai donné la parole à M. Clermont.

Mr. Gleave: Question de procédure. Étant donné que j'ai déposé l'amendement, est-ce que je n'ai pas le privilège de parler de cet amendement?

Le président: Si, je pense que vous pouvez le faire.

Une voix: Ce n'est pas nécessaire mais...

Mr. Gleave: Eh bien, monsieur le président, je vous demande la parole.

Le président: Eh bien, oui, certainement, je pense que vous pouvez dire quelques mots sur votre amendement. Oui, je pense que en toute honnêteté je dois vous donner la parole maintenant.

Mr. Gleave: Eh bien, ce que je veux faire en fait, c'est m'assurer que les agriculteurs vont au moins avoir cette protection qui leur est garantie. Je comprends les arguments qui ont été avancés par le député de Crowfoot (M. Horner) en ce qui concerne les règlements qu'il veut voir parce que le député de Crowfoot (M. Horner) sait comme je le sais moi-même qu'on peut avoir des projets de loi gouvernementaux mais qu'également il y a des gens qui devront administrer ces lois et ils vont faire des règlements administratifs et le projet de loi est assez vaste.

Étant donné que nous sommes seulement en train d'étudier ce projet de loi, je pense que

[Texte]

farmer should be the concern of this Committee. Let us not forget that the loss of a particular animal or several animals for example out of a herd is not by any means the total loss that the farmer suffers. The farmer also suffers the total inconvenience in the case of brucellosis for example. He has to go and clean up his whole premises, and so on. This is additional loss.

If in an instance of pesticide, say 25 per cent of his herd or 25 per cent of his operation was taken out and he was given compensation at 90 per cent or 100 per cent, he would still be suffering a severe loss, because his total operation would be thrown out of gear, disrupted, probably not good enough any more or economic enough any more to provide him a living.

I think it is little enough in this case where his total operation has been disrupted by some means, some pesticide or some chemical under circumstances where he was not aware what the result was going to be. I think the least we can do is say that at least he will have 90 per cent compensation for the loss he has suffered. I think this Committee should concern themselves that this much protection at least is in the body of this Act.

• 1100

The Chairman: Thank you. I will now recognize Mr. Horner.

Mr. Horner: I would like the Minister to examine his remarks on this amendment very, very closely when he has a copy of the transcript, because what he said substantiated my argument that we should have a rough draft of the regulations so that we could better interpret the application of this Act. What the Member for Saskatoon-Biggar is saying is that he wants written into the Act something which may well be in the regulation, but we do not know. We do not know. We do not even have the assurance that it will. It may well be paid in most cases. We do not know, and we want the assurance that it will. I wholeheartedly understand the reasoning in the moving of the amendment because, as the member for Saskatoon-Biggar pointed out, the losing of the cream alone for a given period of time, is not the only loss that a cream producer has. It is not the only loss, if one could only talk to those farmers. At one time I suggested that we call witnesses from British Columbia I moved that we do that because I always want to be co-operative in order to facilitate the passing of this bill. Those farmers who had the problem with the aldrin in the potatoes and in their feed could

[Interprétation]

c'est là une question où la protection pour le cultivateur devrait concerner le Comité. N'oublions pas en effet que la perte d'un animal donné ou de plusieurs bêtes données, par exemple, dans un troupeau ne représente pas la totalité de la perte subie par l'agriculteur. Il subit également des inconvénients. Par exemple, s'il y a brucellose. Il doit nettoyer toutes ses installations. Ça représente une perte supplémentaire.

Dans le cas des pesticides, si disons, par exemple, 25 p. 100 de son bétail ou 25 p. 100 de son exploitation est supprimée, il reçoit 90 ou 100 p. 100 d'indemnité, il subira toujours une perte considérable malgré tout parce que son exploitation serait interrompue, son exploitation serait perturbée. Il se peut qu'elle ne soit plus suffisamment rentable peut-être par la suite pour qu'il puisse en vivre. Je pense donc que lorsqu'une exploitation a été perturbée d'une façon ou d'une autre par des produits chimiques, par des pesticides, dans des circonstances données dont il ne connaissait pas les résultats ou les conséquences, je pense que le moins que l'on puisse faire c'est dire: Eh bien, il aura 90 p. 100 d'indemnisation vis-à-vis des pertes subies. Je pense que notre Comité devrait s'assurer qu'au moins il pourrait avoir cette protection qui figurerait dans la loi.

Le président: Merci. Je donne la parole maintenant à M. Horner.

M. Horner: J'aimerais bien que le ministre examine les observations qu'il a formulées au sujet de cet amendement de façon très étroite lorsqu'il aura reçu le compte rendu car ce qu'il a dit a prouvé justement mon argument à l'effet duquel nous devrions avoir un projet de règlements afin de pouvoir mieux interpréter le projet de loi qui est devant nous. Ce que le député de Saskatoon-Bigger (M. Gleave) veut dire c'est qu'il voudrait insérer dans la loi une chose qui pourrait fort bien peut-être se trouver dans les règlements, mais pour laquelle nous n'avons aucune assurance. Nous ne sommes même pas sûrs que cela se fasse. Je comprends très bien le mobile de l'amendement car comme, l'a souligné le député de Saskatoon-Bigger (M. Gleave), la perte de crème n'est pas la seule que subit un producteur au cours d'une période d'année. Qu'on interroge ces cultivateurs.

Un jour, j'ai proposé que nous appelions les témoins de la Colombie-Britannique. Je l'avais fait parce que je voulais aider à l'adoption de cette loi. Ces cultivateurs pourraient en effet fort bien nous dire, eux qui ont eu le problème de l'aldrine dans leurs provendes, dans leurs pommes de terre, quels sont les

[Text]

very well tell us many of the pitfalls that this Act will encounter after it is passed, many of the regulations that perhaps should be in the Act. So, without saying too much further, I support the idea that the 90 per cent clause should be written in. The Minister referred to the fact that he thought 80 per cent would be high enough because this is something along the line of crop insurance.

Crop insurance is based on a 10 year average. They pay 80 per cent on a 10 year average. They are not taking any average into account. The amendment states that at the time of the loss it may be 90 per cent. It may be less than 80 per cent of the 10 year average on a given product from the manner in which the prices of farm products have been going down lately, it may be 70 per cent. I think the Minister's rough guess is 80 per cent of the 10 year average for crop insurance. Something similar in this case would not be good enough assurance at this time. We are paying compensation for loss that occurred to the farmer through no fault of his own.

I do not really see why it should not be 100 per cent. The only one question is that it should be 100 per cent not the fault of the farmers. If it was 100 per cent not the fault of the farmers I would wholeheartedly endorse that the government pay them 100 per cent compensation because they have registered the pesticides for sale. They have examined the pesticides and said they were safe if used as prescribed, and if a farmer used them as prescribed then I do not see for one minute why he should not get 100 per cent compensation. The only question is that there is a shadow of a doubt I suppose in some cases that it was not used exactly as prescribed, but that is the only reason I am accepting the 90 per cent figure.

Certainly in my estimation it cannot be compared to crop insurance. It should not be compared to crop insurance because in most cases crop insurance is an insurance against the elements, drought, hail, and so forth. We are not insuring against the elements here. We are going ahead and registering pesticides for use as prescribed and if they are used as prescribed, then the farmer should be compensated 100 per cent. I urge all members to think about this for a minute. Do not just blindly sit there and say no and think that anything that comes from an opposition member is no good and note against it. I think you have to think about the application of the Act and the farmers who will be concerned in the years ahead. I urge all members to support this. Ninety per cent is not an impossible figure. No doubt in many cases it should be

[Interpretation]

dangers que comporte ce projet de loi, une fois qu'il sera adopté, les dangers de certains des règlements qui devraient être insérés dans la loi. Aussi, sans aller plus loin, je suis favorable à l'insertion de la clause de 90 p. 100 dans la loi. Le ministre a dit qu'il croyait que 80 p. 100 serait suffisant, étant donné qu'il s'agit d'un genre d'assurance-récolte.

Or, l'assurance-récolte est fondée sur une moyenne de 10 ans et on paie 80 p. 100 mais fondée sur une moyenne de 10 ans. Ici, dans ce cas-ci, ce n'est pas fondé sur une moyenne. L'amendement dit «au moment de la perte», c'est peut-être 90 p. 100. En fait, c'est peut-être moins de 80 p. 100 sur une moyenne de 10 ans, si l'on admet que le prix des produits agricoles a baissé dernièrement. Ce sera peut-être réduit à 70 p. 100. Je crois que, pour le ministre, il s'agit de 80 p. 100 sur la moyenne de 10 ans pour l'assurance-récolte. Une décision comparable ne serait pas suffisante, à l'heure actuelle. Nous versons une indemnité pour des dommages qui ne sont pas de la responsabilité des cultivateurs.

Je ne vois pas pourquoi ça ne serait pas 100 p. 100. Pourquoi pas 100 p. 100, si c'était 100 p. 100 pour les produits où ce n'était pas la faute du cultivateur, j'endosserais, de tout cœur, l'amendement car les pesticides ont été contrôlés et déclarés sûrs à condition d'être employés suivant les directives. Alors si le cultivateur les emploie de cette façon pourquoi ne pas lui verser une indemnité complète. Le seul doute, évidemment, qui peut planer c'est que le cultivateur ne les a pas employés de la façon indiquée. C'est la seule raison pour laquelle j'accepte 90 p. 100.

On ne peut certainement pas établir une comparaison avec l'assurance-récolte, car l'assurance-récolte est une assurance vraiment contre les conditions climatiques, la grêle, la sécheresse etc., etc. Ici, ce n'est pas le même cas, ici nous inscrivons, nous enregistrons les pesticides et leur mode d'emploi et alors, si le mode d'emploi a été suivi, le cultivateur devrait être remboursé à 100 p. 100. J'exhorte tous les députés à y songer sérieusement. Ne restez pas là tout simplement à dire non, tout simplement, parce que la proposition vient du député de l'opposition et que, par conséquent, elle n'est pas bonne. Je crois qu'il faut absolument songer à l'application même de la loi et aux cultivateurs qui seront intéressés à l'avenir. Nous exhortons donc tous les membres à appuyer cette proposition à 90 p. 100 qui n'est pas un chiffre exorbitant. Sans doute, le chiffre devrait être, dans beaucoup

[*Texte*]

100 per cent. I would think that most farmers would be satisfied with the 90 per cent. Without any further word urge all members to vote for the amendment.

The Chairman: Thank you, Mr. Horner.

Mr. Barrett: Mr. Chairman, the last remarks by the hon. member from Crowfoot indicate that the opposition do not enjoy some of our philosophy at all, and I wonder why they take the other task that anything we present is absolutely horrible.

Mr. Horner: Oh, no Mr. Chairman; in no way am I going to vote against the bill. I commend the Minister and you, Mr. Chairman, for your work in having it presented to this Committee. I in no way think it is all wrong.

The Chairman: May I ask the member to address himself to the amendment, please.

Mr. Barrett: Pardon me. It is just that the last remark touched me. However, I am talking from an actuarial point of view and when we have compensation, if it is going to be rated in the area of 90 per cent it is not a normal situation from an actuarial standpoint because it is conducive to many, many things and I will not go into that. We do not believe in Santa Clause, we have to pay our way, and there is a reasonable amount of lack of responsibility when and if these things happen, and therefore when we are paying compensation on any factor it cannot be that high. The point is that I think 90 per cent is too high.

The Chairman: Thank you, Mr. Barrett. Mr. Lind?

Mr. Lind: I am looking at it from a little different angle, Mr. Chairman. I am looking at it from the point of view of the farmer. There are other costs that should be added once this product comes under inspection. There is the time that he is required to spend on processing his claim and the inconvenience he is put to. He probably has to do some travelling to hear evidence, and what not, and I am wondering what we can put in the Act that in any way will compensate the farmer for the extra inconvenience and time lost.

• 1105

We are fast approaching the time when everybody believes they should only work 40 hours a week or less, but unfortunately the poor farmer still must operate on long hours weekly, and I think that perhaps often the best time of his day, when he has to produce

[*Interprétation*]

de cas, de 100 p. 100. Je pense que tous les cultivateurs seraient satisfaits de 90 p. 100, mais sans en dire plus long, j'aimerais demander à tous de l'appuyer.

Le président: Merci, monsieur Horner.

M. Barrett: Les dernières remarques de l'honorable député de Crowfoot indiquent que l'opposition n'apprécie pas toute notre attitude. Pourquoi faut-il qu'elle prétende que ce que nous proposons est affreux?

M. Horner: Oh non, je ne voterai pas contre le bill, monsieur le président. Je félicite le ministre d'avoir présenté le bill, je ne pense aucunement que ce soit mauvais.

Le président: Le député voudra-t-il s'occuper de l'amendement?

M. Barrett: Pardon. C'est la dernière observation qui m'a frappé. De toute façon, je me fonde sur la réalité, en disant que, lorsque nous obtenons une assurance ou une indemnité de l'ordre de 90 p. 100, ce n'est pas une situation normale. Cela pourrait conduire à plusieurs choses que je ne veux pas discuter. L'indemnité ne peut pas être aussi élevée que cela. Par conséquent, je crois que 90 p. 100 ce serait trop.

Le président: Merci, M. Barrett. Monsieur Lind?

M. Lind: J'examine la question d'un aspect tout à fait différent, monsieur le président, du point de vue du cultivateur. J'estime qu'il y a d'autres frais qui s'ajoutent une fois que le produit est contrôlé. Le temps que le cultivateur doit consacrer à la réclamation même, les inconvénients s'il doit voyager, donner des témoignages ou écouter des témoignages, je me demande si nous avons indiqué dans la loi que nous pouvons indemniser le cultivateur pour ces inconvénients.

Tout le monde commence à croire qu'on devrait travailler seulement 40 heures par semaine ou moins, et malheureusement le pauvre cultivateur lui, a toujours de très longues heures de travail au cours de la semaine et très souvent la meilleure partie de sa jour-

[Text]

his living, is taken away by one of our inspectors. I think there should be additional compensation for the inconvenience to which the farmer is put.

I am not sure if 90 per cent is the true figure or not, but I think most definitely there should be some provision in this Act for him to receive travelling allowances, and so on, if he is forced to go afield on an investigation. It is through no fault of his. He reads the directions on the can or on the bag and follows them correctly. If the manufacturer or the department which has approved this has made an error and allowed this product to be applied to areas where the soil is not compatible, it is no fault of the farmer. Why should he be asked to pay this additional amount in time and energy? I think we should look at the conditions under which these payments are made and the long, drawn-out time that he has to wait for his money. Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Lind. Mr. Douglas (Assiniboia).

Mr. Douglas: My questions are somewhat along the same lines. Mr. Gleave and others in favour of this amendment suggested that the Act only provides for compensation for the actual products condemned. I am not sure, but in my reading of the Act it does not limit payments to such losses. Cannot losses be interpreted to include other losses such as business losses, and on, other losses that might be involved besides the direct loss of the product.

The Chairman: Thank you, Mr. Douglas. Do you wish to comment on that, Mr. Olson?

Mr. Olson: Perhaps I should comment on this. The point that Mr. Douglas has just raised is one that I was going to raise in reply to Mr. Horner and Mr. Gleave because in Clause ...

Mr. Horner: On a point of order, Mr. Chairman.

The Chairman: Would you permit the Minister to complete his statement and then I will hear you.

Mr. Horner: I wish to rise now on a point of order. I want you to rule or to advise me on this. Once an amendment is moved the speaker can speak only once on it? Am I right, or wrong?

[Interpretation]

née, lorsqu'il doit gagner sa vie, justement, étant, est prise par un de nos inspecteurs. Alors je crois qu'on devrait y voir et assurer une indemnité supplémentaire pour les inconvénients auxquels les cultivateurs sont soumis.

Que le chiffre de 90 p. 100 soit réaliste ou non, je ne saurais le dire de façon juste, mais je crois qu'il est très sûr que nous devrions inclure, dans le projet de loi, une disposition prévoyant des indemnités de déplacement pour le cultivateur obligé de s'absenter en raison de l'enquête, car ce n'est certainement pas sa faute à lui, s'il lit les directives, s'il les suit, s'il les suit exactement, alors que le fabricant et le ministère qui approuvent le produit se sont trompés et ont permis qu'il soit employé dans un sol ou un terrain qui n'est pas propice, ce n'est certainement pas la faute du cultivateur et alors pourquoi lui demanderait-on de faire les frais du temps perdu et de sa fatigue? Je crois que nous devrions examiner les conditions dans lesquelles on verse ces indemnités ainsi que le temps mis au versement. Merci, monsieur le président.

Le président: Merci, monsieur Lind. Monsieur Douglas (Assiniboia).

M. Douglas: Ma question est dans la même ligne. L'argument de monsieur Gleave au sujet de cet amendement suggère que la loi ne prévoit qu'une indemnité pour le produit qui a été condamné. Je ne suis pas certain mais mon interprétation du projet de loi ne limite pas ces indemnités à cette seule perte. Est-ce qu'on ne pourrait pas interpréter l'expression perte comme voulant dire les autres pertes, par exemple les pertes commerciales et les autres qui pourraient être en cause en plus de la perte directe du produit?

Le président: Merci, monsieur Douglas.

L'hon. M. Olson: Le point soulevé par M. Douglas était un point que je voulais justement soulever moi-même, en réponse à monsieur Horner et à monsieur Gleave.

M. Horner: A l'ordre, monsieur le président.

Le président: Voulez-vous, s'il vous plaît, laisser terminer le ministre? Puis, je vous donnerai la parole.

M. Horner: Non, un rappel aux Règlements immédiatement car ce que vous m'avez dit au sujet de l'amendement, une fois qu'on a proposé l'amendement, une personne ne peut prendre la parole qu'une seule fois; ai-je raison ou non.

[Texte]

An hon. Member: You are wrong.

An hon. Member: You had better watch yourself!

MR. Horner: Am I right or wrong?

An hon. Member: If either amendment rules, you are out!

Mr. Horner: On an amendment?

The Chairman: We are in committee. That would be a new departure in this Committee. We have spoken many times. After all, the Minister is here more or less as a witness and as an adviser...

Mr. Horner: Never less; much more.

Mr. Olson: Mr. Chairman, the point that Mr. Douglas has raised is a very valid one, that the loss is not necessarily confined to the value of the product condemned.

Indeed, if we were to follow the arguments of Mr. Horner and Mr. Gleave, that the payment should be not less than 90 per cent of the actual value of the product, be it milk or animals or whatever, the amount that this would, in many cases, actually return to the farmer would be something substantially less than any loss occasioned to the farmer by reason of such pesticide residue as is included in clause 3. Therefore, I think it would be undesirable to have that kind of percentage in, or as an addition to, the clause.

• 1110

I might also point out that this Act does not require the Department to prove absolutely—if I may so put it—that the farmer may, or may not, have had some percentage of responsibility. We can pay a loss if we are satisfied that he used the product according to the directions, but to obtain absolute proof is something else.

There may be a case where, in assessing the whole situation, we come to the conclusion that there is a 50 - 50 responsibility.

If this kind of clause were to put in the department and the government would have to be satisfied that the farmer was completely exonerated from any fault or responsibility, or even the possibility of them, to pay the kind of loss envisaged by the 90 per cent, or more.

It seems to me, therefore, that it would be in the interest of the farmers, taking into account the many and varied conditions that

[Interprétation]

Une voix: Vous avez tort.

Une autre voix: Vous feriez mieux de vous surveiller.

M. Horner: Ai-je raison ou non?

Une voix: Amendement ou pas, vous avez tort.

M. Horner: Sur un projet d'amendement.

M. le président: Je crois que nous sommes en comité et c'est certainement une chose nouvelle dans notre comité. Je crois que nous avons parlé à plusieurs reprises et après tout, étant donné la présence du ministre qui est ici plus ou moins comme témoin et comme conseiller...

M. Horner: Néanmoins...

L'hon. M. Olson: Le point soulevé par M. Douglas, monsieur le président, est un point très valable à l'effet que la perte n'est pas nécessairement restreinte à la valeur du produit perdu et effectivement, si nous voulions suivre l'argument de M. Horner et M. Gleave à l'effet que l'indemnisation ne devrait pas être moins que 90 p. 100 de la valeur réelle du produit, que ce soit du lait, des animaux ou peu importe.

Je crois alors que le montant dans plusieurs cas rapporterait aux cultivateurs une somme bien moindre que la perte occasionnée aux cultivateurs par un résidu de pesticide tel qu'on le trouve dans l'article 3. Et par conséquent, je trouve que cela ne serait pas bon d'avoir ce genre de pourcentage ajouté au projet de loi.

Je pourrais peut-être aussi ajouter que cette disposition n'exige pas que le ministère ait à taire la preuve formelle, si vous me permettez d'employer cette expression, que le cultivateur ait ou n'ait pas eu un certain degré de responsabilités. Et que nous pouvons, par conséquent, verser une indemnité si nous sommes convaincus qu'il a employé les produits en conformité des directives. S'il fallait obtenir une preuve concluante, cela serait tout à fait autre chose. Il se pourrait qu'il y ait des cas où, dans l'évaluation de la situation, nous pourrions en arriver au point où la responsabilité serait partagée moitié moitié.

Par conséquent, le gouvernement, si nous avons cette disposition, devrait être convaincu que le cultivateur n'est pas du tout responsable avant de verser l'indemnité pour la perte, soit 90 p. 100 ou plus; et alors, à mon sens, que cela serait dans l'intérêt des cultivateurs, tenant compte de toutes les con-

[Text]

could arise, to have enough flexibility to enable us to pay, for example, a 50 - 50 claim, or something other than a 100 per cent absence of responsibility, if I may so put it.

The Chairman: I now recognize Mr. La Salle (Joliette).

M. La Salle: Deux mots, monsieur le président, au sujet de cet amendement. Je pense que de plus en plus aujourd'hui, le public réclame une certaine sécurité et comme dit le ministre, dans les cas où il est clair que le cultivateur n'a aucune responsabilité, je pense qu'il serait bon qu'on lui garantisse 90 p. 100 sur la perte totale du produit et des déplacements, comme d'autres membres de ce Comité l'ont signalé. Je crois qu'il est nécessaire aujourd'hui que le cultivateur puisse être assuré d'un montant minimum.

Il est entendu qu'il est peut-être difficile d'appliquer ce chiffre là où le cultivateur peut être en partie responsable mais si ceci est reconnu par les estimateurs, dont la qualité n'est pas mise en doute, je crois bien que le cultivateur serait heureux de savoir que dans les cas où il n'est aucunement responsable, il est assuré d'un minimum de 90 p. 100. La classe agricole mérite toute notre sympathie et l'aide que nous devons lui accorder.

The Chairman: Thank you, Mr. La Salle. The question arises whether or not this type of amendment might later be interpreted as settling a maximum instead of a minimum. In other words, it might become a ceiling instead of a floor, as intended by the mover.

I recognize Mr. Southam.

Mr. Southam: Thank you, Mr. Chairman. I wish to support Mr. Gleave's amendment. It follows through, I think, on the basis of the earlier suggestion of my colleague, Mr. Horner, that there is nothing very specific in this set of regulations. It leaves too much to the discretion of the Governor in Council.

I am assuming that in the case of compensation if a farmer is eligible in the first place it is through no fault of his and that that is why he is making application.

The Minister mentioned just a few moments ago that it might be only, say, 50 per cent. I think we are getting altogether out of line here. It appears to me that anybody making a claim would then run into an argument on the odd occasion about what the compensation should be.

It goes back to my earlier remark when the proceedings first opened this morning, that we should have a set minimum and maximum amount that would be paid. This would elimi-

[Interpretation]

ditions possibles que s'il fallait que nous versions par exemple une réclamation évaluée à responsabilité partagée, ou autre que 100 p. 100 d'absence de responsabilité, si je peux ainsi dire.

Le président: Monsieur La Salle, (Joliette).

Mr. La Salle (Joliette): With regard to this amendment, Mr. Chairman, I think that the public as a whole now demands more security, as stated by the Minister, in those cases where it is clear that the farmer has no responsibility, I think it would be good to guarantee him 90 per cent of the total loss on the product as well as on travelling allowances, as mentioned by other members of this Committee. I think that today it is necessary for the farmer to be assured of a strict minimum.

Of course, it is very difficult to apply this figure where the farmer is responsible to a certain extent. But if this is recognized by the assessors—and I do not want to place any doubt on them—I think that it would be very much appreciated on the part of the farmers to know that where there is no responsibility, the farmer is assured of a minimum of 90 per cent. Of course, I recognize that we must be very sympathetic and helpful to the farmers.

Le président: Merci, M. La Salle. Je poserais donc la question quant à savoir si ce genre de projet d'amendement pourrait plus tard être interprété comme étant un maximum plutôt qu'un minimum. En d'autre terme, cela pourrait devenir un plafond plutôt que le plancher tel que le proposeur le demande. Je donne maintenant la parole à M. Southam.

M. Southam: Monsieur le président, je voudrais appuyer l'amendement de M. Gleave et, étant donné que ce qu'a dit plus tôt M. Horner, il n'y a rien de très précis dans cette question des règlements sauf le fait que c'est le gouverneur en conseil qui les établit. Et alors, je présume que dans le cas de l'indemnité, si le cultivateur y a droit dès le début, c'est parce que ce n'est pas de sa faute, qu'il remplit une demande.

Le ministre a mentionné tout à l'heure qu'il aurait peut-être une responsabilité partagée ou mitigée. Mais il me semble que nous sortons tous du sujet, car il m'apparaît que toute personne qui formulerait une réclamation ferait donc face à l'argument quant à savoir quel devrait être le montant de l'indemnité. Et alors, je reviens à ce que j'ai dit au tout début, ce matin, c'est que nous devrions avoir un minimum et un maximum stricts. Nous pourrions alors éviter ces sortes d'altercation

[Texte]

nate these types of altercations, and a person could have some assurance that the Act was going to carry out the original intent of it.

I think as does Mr. Lind, the member of the Committee who spoke a few moments ago and who supported the amendment. He felt that even 90 per cent was not exorbitant because, as was pointed out, when such damage takes place, there are so many other intrinsic costs that it is hard to define what is the exact amount. Taking into account the inconvenience and the travelling expenses incurred in having to go to put in a claim, or have a hearing, and so on, it may be that 90 per cent will ultimately represent only 50 or 60 per cent of the total costs involved.

Therefore, I maintain that to establish a minimum of, say, 90 per cent is reasonable and rational within the intent of the Act.

The Chairman: Thank you, Mr. Southam. I have on my list Mr. Pringle, Mr. Whicher and Mr. Horner.

I recognize Mr. Pringle.

Mr. Pringle: Mr. Chairman, I am rather concerned about the form the discussion is taking at the present time. It seems to me there is a danger of establishing precedents. Governments have been known to establish precedents, relative to labour unions, which have been considered by some to have been a bit disastrous.

• 1115

Every company or organization engaged in dealing with, and providing products to farmers is subject to requests for adjustments, and certainly subject to complaints, especially when dealing in livestock, and almost any other commodity.

I have a great deal of respect for farmers. I have been one. I am quite sure that nobody is making any accusations.

I have however, been involved in situations, or deals, where they have made complaints and requested adjustments and have received adjustments and compensation for problems.

In relation to pesticides I know of one situation where the adjustment was not generous, and considered by most to be most generous, but in which the adjustment has not been satisfactorily settled relative to the farmer. I am not sure that it ever could be.

I could refer to the baby chick or the turkey poult business—I would hate to make a statement without referring to it—but contingency liability is becoming a great problem within this industry. In the case of livestock they make a complaint on the basis that the

[Interprétation]

et une personne aurait une certaine assurance que la loi fonctionnerait. Je pense, comme M. Lind, un des membres du comité l'a dit, tout à l'heure, en appuyant l'amendement, en précisant qu'il estimait que 90 p. 100 n'était pas exorbitant. Comme on l'a déjà dit, lorsque des dommages de ce genre se produisent, il y a beaucoup d'autres frais implicites, directs ou indirects. Si l'on tient compte des inconvénients, des frais de voyage occasionnés lors de sa réclamation, pour assister à l'audience et par conséquent, 90 p. 100 à la longue pourrait peut-être représenter 50 ou 60 p. 100 de la perte totale. Et alors, je trouve que détailler un minimum de 90 p. 100, c'est raisonnable en vertu de la loi.

Le président: J'ai maintenant M. Pringle, M. Whicher et M. Horner.

M. Pringle: Je me préoccupe un peu du genre de discussion que nous avons à l'heure actuelle et de la tournure du débat. J'ai l'impression qu'il est dangereux de créer des précédents. Les gouvernements, dans le passé, ont déjà créé des précédents pour les syndicats ouvriers qui ont été considérés dans certains secteurs comme étant désastreux.

Chaque compagnie ou chaque organisation qui fournit ou s'engage à donner un produit ou fournir un produit au cultivateur est sujette aux plaintes et aux demandes d'ajustement particulièrement dans le domaine du bétail et presque dans tous les produits. J'ai beaucoup de respect pour les cultivateurs, j'ai été déjà cultivateur moi-même et je suis presque sûr que personne ne lance des accusations.

Mais j'ai aussi passé par une certaine situation où les cultivateurs formulaient des plaintes et où on nous réclamait des ajustements et recevaient une indemnité en compensation de leurs problèmes. J'ai donc l'impression que dans certains domaines, même en ce qui concerne les pesticides, je connais une situation où l'ajustement a été très généreux, mais du point de vue du cultivateur, l'ajustement restait insatisfaisant. En d'autres termes, je me demande si cela pourrait se produire.

Si vous me le permettez, je pourrais parler du commerce des petits poulets ou des dindons mais je n'aimerais pas être obligé de le faire sans notes. Les responsabilités imprévues deviennent une très lourde responsabilité et un très lourd fardeau dans cette indus-

[Text]

product was faulty when they purchased it and, of course, the minute that livestock changes hands it comes under the management of an entirely new setup. However, there has been at least one case where a \$500 order for baby chicks received an adjustment of \$24,000 by virtue of the eggs that they did not lay, and by virtue of a lot of things that did not happen, but were considered to be contingent liabilities.

I hope that in our deliberations we will take into consideration that the preparation of this bill has been given a considerable amount of thought and that it is the intention of the government to compensate or there would not be the Act in the first place. But if we are going to establish a precedent and say, "Thou shalt pay contingent liability", and establish 90 per cent, or some ceiling, or some floor, this could be construed as a pattern that you are establishing for industry, and I think it would be most unfair to do this especially before you have at least consulted these people in industry.

We are sitting here as members of an agriculture committee basically interested in the welfare of the farmer, unquestionably. But I think we also have a responsibility to industry within Canada and I would be very concerned if you are going to set up an established precedent here which could do a great deal of harm in connection with the dealings which are continually taking place within the agricultural industry.

The Chairman: Thank you, Mr. Pringle. I recognize Mr. Whicher.

• 1120

Mr. Whicher: I agree with what Mr. Pringle said. There is a great deal of common sense to it, and there is not anybody around this table, I am sure, who is not 100 per cent sympathetic with the farmers. Most of us represent rural ridings; I do myself. We are sent here, as the Member for Crowfoot said, to represent those farmers. And of course we want them to get just and legitimate compensation. But the fact is that not only are we responsible to the farmers but we are responsible to the taxpayers of Canada and we have to think out legislation such as this.

There are only a few farmers concerned. The figures that were quoted by the Deputy Minister the other day are astonishingly low, the number that could be involved in any year if a catastrophe came along. But these farmers must have some responsibility them-

[Interpretation]

trie. Quand on formule une plainte, dans le cas du bétail, surtout, fondée sur le fait que le produit était fautif lorsque l'agriculteur l'a acheté, au moment où le bétail change de main, il est alimenté d'une façon complètement différente. Mais il y a eu au moins un cas où une commande de \$500 de poussins a été l'objet d'une réclamation de \$24,000 en raison du fait que les œufs ne se sont pas éclos, et en raison des autres facteurs divers mais considérés comme imprévus.

J'espérais donc que nous pourrions prendre en considération le fait que le projet de loi a été rédigé avec un soin considérable et que l'intention du gouvernement est de verser une indemnité, sinon, le projet de loi n'existerait pas. Si nous voulons créer un précédent et dire: on doit payer les frais imprévus et établir, un plafond de 90 p. 100 ou un plancher; ceci pourrait alors être considéré comme un principe que l'on formulerait pour l'industrie, et je trouve que ce serait injuste d'agir ainsi avant même d'avoir consulté les gens de l'industrie.

Nous sommes ici en tant que membres d'un comité de l'agriculture, et nous nous intéressons avant tout au bien-être de l'agriculteur, sans aucun doute. Mais je crois que nous avons aussi une responsabilité envers l'industrie au Canada, et je serais fort inquiet si nous établissions ici un précédent qui pourrait causer beaucoup de tort dans le domaine des transactions qui se font sans cesse au sein de l'industrie agricole.

Le président: Merci, monsieur Pringle. Je donne la parole à M. Whicher.

M. Whicher: Je partage entièrement l'avis de M. Pringle. Je trouve que cela est plein de bon sens, et il n'y a personne, ici, j'en suis sûr, qui ne compatisse à 100 p. 100 avec les agriculteurs. La plupart d'entre nous représentons des circonscriptions rurales, y compris moi-même. Comme l'a dit l'honorable député de Crowfoot, nous sommes ici pour représenter les agriculteurs. Évidemment, nous voulons qu'ils reçoivent cette indemnité juste et légitime. Mais le fait que nous sommes responsables non seulement envers les agriculteurs, mais aussi envers les contribuables du Canada, et qu'il nous faut donc organiser très attentivement cette sorte de projet de loi.

Il n'y a que quelques agriculteurs en cause. Les chiffres qu'a indiqués le sous-ministre l'autre jour sont étonnamment peu élevés—je veux parler du nombre de personnes qui auraient à souffrir d'une année catastrophique. Mais il faut que les agriculteurs assu-

[Texte]

selves too. That is the way life is. There is a certain amount of luck in this thing all the way through. Some people get sick and some are healthy all through their lives. This is the way it is. Some people get burned out, some people have automobile accidents, and some people unfortunately are going to have some trouble with pesticides.

I think the government has been very fair in presenting this bill. They must be sympathetic or they would never have put the bill here in the first place. They are making it so that no farmer can have a catastrophic loss. The Minister pointed out that not only is he willing to pay on the loss of the crop, but in the costs and the farmer getting back into business, and so forth. I think, like Mr. Pringle, that in setting a figure of 90 per cent here, we would be setting a precedent.

I think that to some extent, at least whether we are in opposition, and I am a professional at that because I have been in opposition longer probably than anyone else around this table—I think that we must recognize that these bills are presented with a great deal of thought, not only by the Minister but by the civil servants concerned. Not that they do not make mistakes. I do not mean that. But I think that they have given just and legitimate reason why the figure of 90 per cent should not be involved.

The Chairman: Mr. Horner.

Mr. Horner: I would just like to comment on Mr. Pringle's and Mr. Whicher's statements about the taxpayer and the industry being afraid of setting precedent. The bill itself is setting precedent. And for years and years industry has laid down the pattern for the farmers to follow. Let us not be a little bit ashamed about the farmers or the farmers' causes having to lay down a few patterns for industry. And I say that to rebut Mr. Pringle's remarks.

Now let us look at the Minister's remarks. He said that, for example, it may fifty-fifty. It may be 50 per cent the fault of the farmer, and 50 per cent the fault of the chemical. And still the claim would be paid. Let us go back to look at Clause 3, subclause (2), which reads:

(2) No compensation shall be paid to a farmer pursuant to subsection (1) unless the Minister... (b) is satisfied that the pesticide residue in or upon the product is not...

[Interprétation]

ment eux aussi une part de responsabilité. C'est ainsi que va la vie. Il y a toujours une part de hasard, dans toute chose. Il y a des gens qui tombent malade, et d'autres qui sont en bonne santé toute leur vie. Certains périssent dans des incendies, d'autres ont des accidents d'automobile, et, malheureusement, d'autres encore vont avoir des ennuis avec les produits antiparasitaires.

Je trouve que le gouvernement a été très équitable en présentant ce projet de loi. Il doit être compatissant, ou il ne l'aurait jamais présenté. Il s'assure de ce qu'aucun agriculteur ne pourra subir de perte catastrophique. Comme l'a dit le ministre, il est prêt à verser une indemnité non seulement pour la perte de la récolte, mais aussi pour permettre à l'agriculteur de se rétablir dans son exploitation. J'estime, comme M. Pringle, que, si nous fixions un chiffre de 90 p. 100, nous créerions un précédent.

Et j'estime que jusqu'à un certain point, même si nous faisons partie de l'opposition—et je suis expert en la matière, car j'ai probablement été dans l'opposition beaucoup plus longtemps que n'importe qui ici—nous devons reconnaître que ces projets de loi sont conçus avec beaucoup de soin, non seulement par le ministre, mais aussi par les fonctionnaires en cause. Non pas qu'ils ne se trompent jamais. Ce n'est pas ce que je veux dire. Mais j'estime qu'ils ont donné des raisons justes et légitimes pour que l'on n'inclue pas le chiffre de 90 p. 100.

Le président: Monsieur Horner.

M. Horner: Je voudrais faire quelques brèves observations sur les déclarations de M. Whicher et de M. Pringle au sujet du contribuable et de l'hésitation de l'industrie à créer un précédent. Le bill même crée un précédent et depuis des années l'industrie a établi la règle à suivre pour les agriculteurs. N'avons pas honte maintenant d'établir au nom des agriculteurs quelques règles que l'industrie aura à suivre. Et je dis cela pour montrer la fausseté des observations de M. Pringle.

Examinons ce qu'a dit le ministre. Il a dit, par exemple, que la responsabilité peut être partagée à parts égales: ce peut être 50 p. 100 la faute des agriculteurs et 50 p. 100 celle des fabricants de produits chimiques. Et l'on versera l'indemnité malgré tout. Revenons au paragraphe (2) de l'article 3, où il est dit:

Aucune indemnité ne doit être payée à un cultivateur en conformité du paragraphe (1) à moins que le Ministre...
b) ne soit convaincu que les résidus de pesticides ne sont pas présents dans ou sur le produit,

[Text]

and I emphasize the word "not".

...present because of any fault of the farmer...

Any fault of the farmer. Now the Minister said a minute ago that the farmer could be 50 per cent at fault. That word that reads "any", would to me be "some". And I want the Minister to clear this up. Can a farmer receive compensation if he is 50 per cent at fault in the use of the pesticide under this Act?

Mr. Olson: Well, Mr. Chairman, just very briefly. What I said has been misinterpreted. I am tempted to say something else about that, but it may be the usual thing for the Member for Crowfoot to do. But I will not say that this morning.

Mr. Horner: Certainly, say whatever you have on your mind. If I misinterpreted you, I want to know how.

The Chairman: Order, please.

Mr. Olson: Mr. Chairman, I did not say that. I said that it may be difficult if not impossible to get absolute proof that there was no fault, and the word "any" fault, on the farmer. I have to be satisfied that the farmer was not a fault, or there was any fault. But the next step—and I explained that—to obtain absolute proof with the technology that we have may not be possible. And that is the qualification that I made.

Mr. Horner: Did you not go on and use the figure of 50/50?

Mr. Olson: Yes I did.

Mr. Horner: Are you still ashamed to say it?

Mr. Olson: I did.

Mr. Horner: I am now asking you this question. If there is reasonable thought in the government's mind that the farmer may well have been at fault by 50 per cent and the chemical company at fault 50 per cent, will the claim be paid under this Act?

Mr. Olson: It is a question of being able to prove it, absolutely.

Mr. Horner: In other words, if you can prove the farmer is 50 per cent at fault, you will still pay it?

Mr. Olson: If we get into that kind of situation, Mr. Horner, as I have mentioned, the burden of absolute proof will be very difficult to obtain, and that is the reason that I mentioned the figure.

[Interpretation]

et j'insiste,

ne sont pas présents dans ou sur le produit par suite d'une faute du cultivateur.

Le ministre a dit tout à l'heure que le cultivateur pourrait avoir une part de responsabilité de 50 p. 100. A mon sens, il faudrait dire «quelque» faute, non «une» faute. J'aimerais que le ministre éclaircisse cette question. Est-ce que le cultivateur peut être indemnisé au titre de la loi s'il est à demi responsable de la présence des résidus?

L'hon. M. Olson: Monsieur le président, bref on a mal interprété ce que j'ai dit. Je dirais bien autre chose, que c'est courant pour le député de Crowfoot, mais je m'en abstiendrai ce matin.

M. Horner: Dites le fond de votre pensée. Si je vous ai mal interprété, je voudrais bien savoir de quelle façon.

Le président: A l'ordre.

L'hon. M. Olson: Monsieur le président, ce n'est pas ce que j'ai dit. Il sera peut-être difficile, sinon impossible, d'obtenir la preuve absolue que le cultivateur n'est pas en faute ou qu'il n'y a aucune faute, mais il faudra en avoir la certitude. Ensuite, comme je l'ai expliqué, c'est qu'il pourra être impossible, avec les moyens techniques dont nous disposons à l'heure actuelle, de le prouver sans l'ombre d'un doute.

M. Horner: N'avez-vous pas ensuite dit que les torts étaient des deux côtés?

M. Olson: En effet.

M. Horner: Vous oseriez le répéter?

M. Olson: Oui.

M. Horner: Je vous demande maintenant, si le gouvernement estime de façon raisonnable que le cultivateur a une part de responsabilité de 50 p. 100 et que le fabricant est responsable à 50 p. 100, est-ce que l'indemnité sera versée, en vertu de cette loi?

L'hon. M. Olson: Il importe de le prouver sans l'ombre d'un doute.

M. Horner: En d'autres termes, si l'on peut prouver que le cultivateur est responsable à 50 p. 100, on verse l'indemnité quand même?

L'hon. M. Olson: En pareil cas, monsieur Horner, comme je l'ai déjà dit, il est très difficile d'en avoir la preuve absolue, c'est pourquoi j'ai lancé ce chiffre.

[Texte]

Mr. Horner: What is the meaning in Clause 2 that we have already passed then, by "not any"? "Any" would be "some". "Some" would be 5 per cent, if you ask me. "Some" would be 10 per cent.

Mr. Olson: I really do not see any point, Mr. Chairman, in repeating over and over again the same arguments that I have made, and the statements that I made are just as valid now as they were ten minutes ago. So there is no use repeating the same thing.

The Chairman: Thank you, Mr. Minister. Mr. Gleave wished to be recognized. Mr. LaSalle wished to be recognized. The question has been called. May I have the indulgence of the Committee to recognize Mr. Gleave on a brief question.

Mr. Barrett: Take a vote. Let us go on with the question. I asked for it.

Mr. Gleave: Thank you, Mr. Chairman. I just wanted to point out that one of the witnesses said that on practically all occasions up to now when the question of compensation to the farmer has come up, it has been as a result of the Food and Drug Directorate finding a residue in some marketable product that was in the hands of the consumer or going to be in the hands of the consumer. And it was as a result of these findings and this investigation that they moved back to the farmer or to the source and said that here is the source of this contamination, steps will have to be taken to correct it, and this farmer will have to dispose of property or take property out of production. He will have to dispose of livestock or he will have to do this or that.

According to our witnesses, these are the circumstances under which these occasions have arisen. And looking at this Act, I would expect that in the future these will be the occasions under which again compensation will be asked or called for. It will not be the farmer who will go to some authority and say he thinks he has a contaminated farm, and ask that someone come down and take a look at it and give some compensation. This is not going to happen. It is going to be the other way around, as has been described to us by our witnesses. Farmers are not looking for sympathy. Under these circumstances they are looking for justice. There is plenty of protection for the Department in this Act Clause 5(1) reads:

No payment of compensation shall be made to a farmer pursuant to this Act in respect of a loss occasioned to him by reason of pesticide residue...

[Interprétation]

M. Horner: Que signifie l'expression «une faute» dans le paragraphe (2) que nous avons déjà adopté, d'ailleurs? Une faute est une faute. La part de responsabilité pourrait bien être de 5 p. 100, ou bien 10 p. 100.

L'hon. M. Olson: Je ne vois pas du tout la nécessité, monsieur le président, de répéter cent fois le même argument que j'ai déjà formulé. Ce que j'ai déjà dit, il y a dix minutes, tient toujours. C'est inutile alors de le répéter.

Le président: Merci, monsieur le ministre. M. Gleave voulait la parole, M. LaSalle aussi. On a demandé la mise aux voix. Avec la permission des membres du comité, j'accorde-rai la parole pour un moment à M. Gleave.

M. Barrett: Passons à la mise aux voix, je l'ai demandée.

M. Gleave: Merci, monsieur le président. Permettez-moi simplement de signaler ce qu'un des témoins a dit, soit que dans tous les cas d'indemnisation, ou peu s'en faut, qui se sont posés jusqu'ici, la Direction des aliments et drogues avait décelé des résidus dans un produit quelconque destiné à la consommation ou déjà vendu. Or, c'est à la suite de telles enquêtes et de telles constatations qu'elle a trouvé la source de la contamination et décrété les mesures correctives à prendre: disposer de la propriété, faire cesser l'exploitation, se débarrasser des bestiaux, et ainsi de suite.

D'après les témoins, voilà les cas où des situations de ce genre se sont produites. J'espère qu'à l'avenir ce seront là les conditions dans lesquelles les indemnisations seront demandées ou versées au titre de la présente mesure. Ce n'est pas le cultivateur qui ira voir les autorités et qui leur dira: «Voilà, ma ferme est contaminée, je crois, est-ce que vous pouvez faire vérifier la chose et puis m'indemniser?». Cela ne se produira jamais. Ce sera toujours le contraire, comme nous l'ont déjà fait remarquer les témoins. Les fermiers ne sont pas en mal de sympathie. Les fermiers ne cherchent pas de sympathie mais la justice. La loi protège le ministère. L'article 5 dit:

Aucune compensation ne sera accordée à l'agriculteur en vertu de cette Loi pour une perte subie à la suite de la présence de résidus de pesticide.

[Text]

And then it goes on. There is protection here for the Department. What I am interested in seeing in this Act is adequate protection for the farmer who is going to suffer the loss, and who is going to suffer a loss of much greater consequence than the simple product that is removed from his farm.

The Chairman: Mr. Gleave, I think that point was made in your earlier remarks. Mr. La Salle.

M. La Salle: Je reconnais que la majorité des députés ont beaucoup de respect pour la classe agricole, ils ont tout de même peur du précédent et je me demande si cette crainte d'aider le cultivateur est justifiée, car il est urgent qu'une garantie quelconque leur soit donnée. La comparaison faite entre l'industrie et la classe agricole me surprend aussi, car c'est un fait que l'industriel, tout comme l'ouvrier qui travaille à l'usine, est protégé par différentes sortes d'assurances dont le cultivateur ne bénéficie pas.

Alors, je reviens à cette suggestion que j'avais faite tantôt. Le ministre mentionne qu'il est difficile d'avoir une preuve concluante, mais là où il est sûrement possible d'en avoir et dans les cas où il y en a, je pense que la garantie de 90 p. 100 n'est pas exagérée, en autant que nous considérons d'abord le principe de la non-responsabilité pour le producteur ou le cultivateur. Je crois qu'il y a certainement des cas où il y a des preuves évidentes que le cultivateur n'est pas responsable et à ce moment-là, je suis d'avis que l'indemnité de 90 p. 100 peut ou pourrait facilement s'appliquer, toujours dans le but d'assurer au cultivateur une sécurité qui le rendra plus heureux et que je considère nécessaire.

The Chairman: Thank you. Mr. Barrett?

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Mr. Barrett: Mr. Chairman, I would like to make one comment while we are talking about responsibility. In going through the farms in my area I have watched these farmers using sprays, and all this sort of thing. It says specifically that you shall wear respirators, you shall do this, you shall do that. I have yet to see a farmer using a respirator as prescribed, so there is a certain amount of responsibility in any area, and I feel that this is the time for the question.

The Chairman: Thank you. Your question has been called...

M. Lambert (Bellechasse): Voudriez-vous, s'il vous plaît, relire l'amendement qui a été proposé par M. Gleave?

[Interpretation]

Mais je voudrais savoir si le cultivateur qui subit une perte beaucoup plus grande en fait, dont les répercussions ont une bien plus grande portée, que le produit qui aura été retiré, est suffisamment.

Le président: Je pense, monsieur Gleave que nous en avons déjà parlé. Monsieur La Salle, s'il vous plaît.

Mr. La Salle: I recognize that the majority of the Members have a great deal of respect for the agricultural community. Nonetheless, they are frightened by precedents and I wonder whether this fear of helping farmers is justified because there is an urgent need to give them some sort of guarantee. The comparison between industry and the agricultural sector surprises me too because it is a fact that both industrialists and workers employed by industry are protected by various kinds of insurance plans which are not available to farmers.

Therefore, I come back to the suggestion I made earlier. The Minister says that it is difficult to have conclusive evidence, but where it is definitely possible to have conclusive evidence, and in cases where there is conclusive evidence, I believe that the 90 per cent guarantee is not exaggerated inasmuch as we consider first the principle of responsibility for the farmer or the producer. I believe there certainly are cases where there is definite evidence that the farmer is not responsible, and in those cases I believe that the 90 per cent indemnity could easily be applied so as to provide the farmer with security which will make him happier and which I consider as necessary.

Le président: Merci. Monsieur Barrett?

M. Barrett: Monsieur le président, je voudrais faire une remarque pendant qu'on parle de responsabilité. Lorsque je visite les exploitations de ma région, je vois comment les gens utilisent les produits de pulvérisation. Il est dit clairement: Vous devrez porter des masques, vous devrez faire ceci et cela. Je n'en ai jamais vu porter des masques selon les instructions. Il y a donc une certaine responsabilité. Je pense que c'est le moment de poser cette question.

Le président: Merci, votre question...

Mr. Lambert (Bellechasse): Would you please read again the amendment that was moved by Mr. Gleave?

[Texte]

The Chairman: I will read the question and then I will present it to the meeting and the vote will be called. Clause 4, subclause (c), is to be rewritten to read as follows:

prescribing the methods to be used in determining the amount of loss occasioned to a farmer and the maximum amount of compensation to be paid with respect to any loss and provided that the compensation paid to the farmer shall not be less than 90 per cent of the market value of the product at the time of loss;

M. Lambert (Bellechasse): Monsieur le président, cela ne s'appliquerait-il pas plutôt à d) qu'à c), puisqu'il s'agit d'un minimum?

An hon. member: The question has been asked three times, Mr. Chairman. What difference does it make whether it is asked six, seven or eight times. Put it and dismiss it.

An hon. member: Or carry it.

An hon. member: Either one.

The Chairman: We are dealing with Clause 4, subclause (c). I think it is listed under the proper clause.

M. Lambert (Bellechasse): On paie ainsi un maximum et un minimum.

Justement, il faudrait que cela apparaisse à d), puisqu'on dit un minimum de 90 p. 100.

An hon. member: I think it should be written over again. You had better spend some more time on it, Mr. Gleave.

The Chairman: Gentlemen, is there any question as to the wording of the amendment as it is written?

Some hon. members: No.

The Chairman: Those in favour of the amendment? Those opposed to the amendment?

Gentlemen, I declare the amendment lost.

• 1135

An hon. member: Mr. Chairman, I move we adjourn.

The Chairman: Gentlemen, that type of motion is not debatable, but I think one or two gentlemen indicated they wanted to ask some further questions.

Are there further questions on Clause 4? Shall Clause 4 carry?

Clause 4 agreed to on division.

[Interprétation]

Le président: Je vais relire la question puis la soumettre au comité pour le vote.

L'article 4, alinéa c) est rédigé ainsi:

prescrivant les méthodes à employer pour déterminer le montant de la perte subie par un cultivateur et l'indemnité maximum à payer pour toute perte à condition que l'indemnité versée à l'agriculteur ne sera pas inférieure à 90 p. 100 de la valeur marchande du produit au moment de la perte.

Mr. Lambert (Bellechasse): Mr. Chairman, would this not apply to (d) rather than (c), since it is a minimum?

Une voix: La question a déjà été posée trois fois, monsieur le président. Qu'importe d'ailleurs qu'elle ait été posée sept ou huit fois. Qu'on la pose et qu'on l'écarte.

Une autre voix: Ou qu'on l'adopte.

Une autre voix: L'un ou l'autre.

Le président: On parle de l'article 4, alinéa c). C'est bien cela...

Mr. Lambert (Bellechasse): Thus, a minimum is paid, and also a maximum.

This should appear under (d), since we mention a minimum of 90 per cent.

Une voix: Je crois qu'il faudrait la rédiger de nouveau et que M. Gleave devrait s'y attarder davantage.

Le président: Messieurs, est-ce qu'il y a des questions à poser sur le texte de l'amendement?

Des voix: Non.

Le président: Tous ceux qui sont d'accord avec l'amendement? Ceux qui s'opposent à l'amendement?

Messieurs, je déclare l'amendement repoussé.

Une voix: Monsieur le président, je propose que l'on lève la séance.

Le président: Messieurs, ce genre de motion n'est pas discutable. Je pense qu'il y a encore une ou deux personnes qui veulent poser des questions. Y a-t-il d'autres questions concernant l'article 4? Est-ce que l'article 4 est adopté? L'article 4 est adopté, sur division.

[Text]

Thank you, gentlemen. There are two gentlemen who wish to ask some questions on Clause 5, Mr. Lind and Mr. Horner. Mr. Lind, please.

Mr. Lind: Referring to subclause (5), Recovery of overpayment, it says:

... as a debt due to Her Majesty.

I would like an explanation of what this means.

The Chairman: Mr. Williams or the Minister?

Mr. Olson: If, following payment of compensation, Mr. Chairman, it is found that the farmer was not entitled to all or any portion of the compensation, he is required to refund the same. It relates to such things as false information, falsification of documents, purchase of land, use of land known to be contaminated with residues, and that sort of thing. It is a matter of the recovery of overpayment. This is deemed to be a debt due and payable to Her Majesty.

Mr. Lind: Yes, but suppose he is in bankruptcy. Is the government going to come ahead of all the other creditors?

Mr. Phillips: A farmer cannot go into bankruptcy.

Mr. Lind: I am serious about this because I do not see why a farmer cannot go into bankruptcy.

Mr. Barrett: This is not the place to discuss that, Mr. Lind.

Mr. Lind: It is in the area of a debt due to Her Majesty.

Mr. Olson: To answer your question specifically, not under this provision. As I understand it, it is simply to make the debt legal without having to have it established by law.

Mr. Newman: I might mention, Mr. Chairman, that this is a provision which is common to many statutes and it merely sets up a statutory cause of action should the government decide to take legal action against a farmer who has received more compensation than he is entitled to under the terms of the statute. It is merely to facilitate legal action.

Mr. Lind: I agree that it is in many statutes, but I want to know why it is in the statutes.

Mr. Newman: Excuse me, Mr. Chairman. It sets up a statutory cause of action. As you may well be aware, in order to have a cause of action you have to base it on some princi-

[Interpretation]

Merci messieurs. Deux personnes désirent poser des questions sur l'article 5, M. Lind et M. Horner. Monsieur Lind.

M. Lind: A l'alinéa 5) le recouvrement des paiements excédentaires, il est dit:

... les dettes dues à Sa Majesté.

J'aimerais que l'on me donne une explication.

Le président: M. Williams ou le Ministre?

M. Olson: Si, à la suite du paiement d'une indemnité, l'on s'aperçoit que le cultivateur n'a pas droit à la totalité ni à une partie de cette indemnité, il doit restituer le montant en cause. Il s'agit des fausses déclarations, des faux documents, de l'achat et de l'utilisation de terres que l'on sait contaminées, et ainsi de suite. C'est une question de recouvrer les paiements excédentaires qui sont reconnus comme une dette due à Sa Majesté.

M. Lind: Et s'il a fait faillite? Est-ce que le gouvernement va intervenir à la tête des créanciers?

M. Phillips: Je ne vois pas comment un agriculteur peut faire faillite.

M. Lind: Je parle sérieusement car il est bien possible qu'un agriculteur déclare faillite.

M. Barrett: Il n'y a pas lieu de discuter de cela dit, monsieur Lind.

M. Lind: Ça entre dans le contexte des dettes dues à Sa Majesté.

L'hon. M. Olson: Pour répondre à votre question, si je comprends bien, il s'agit de légaliser la dette sans avoir à recourir à la loi.

M. Newman: Monsieur le président, il s'agit là d'une disposition qui est valable pour beaucoup de statuts et ne fait qu'établir un cadre juridique au cas où le gouvernement déciderait d'intenter une action en justice contre un agriculteur qui a touché une indemnité à laquelle il n'a pas droit aux termes de la loi. C'est une façon de faciliter la procédure juridique.

M. Lind: Je reconnais effectivement que cela figure aux statuts, mais je voudrais savoir pourquoi elle y figure?

M. Newman: Monsieur le président, il s'agit d'établir un cadre juridique. Comme vous le savez certainement, pour que l'on puisse intenter une action, il faut que cela repose

[Texte]

ple of the common law or on some statutory provision. This saves any argument as to whether there is a legal debt under the provisions of the common law, or under the Civil Code, or in any other provision. It is down there in black and white in statutory form.

Mr. Lind: Who does this protect?

Mr. Newman: It protects the Crown.

Mr. Lind: The inspectors or who?

Mr. Olson: The taxpayers, Mr. Lind.

Mr. Lind: The taxpayers?

Mr. Olson: Yes. If anyone has obtained taxpayers' money out of the national treasury by, as I have pointed out falsification of documents or fraud of any kind. It protects the taxpayer's interest.

Mr. Lind: Are there not other legal methods to protect the taxpayer rather than this one?

Mr. Olson: I suppose there are, but as has been pointed out by Mr. Newman, it is in many of the statutes so that you have a base from which to collect or reclaim money that has been obtained under false pretenses or the other conditions spelled out.

Mr. Lind: Why is it always false pretenses? Maybe it is by false analysis. What about that case? It still can be used.

Mr. Olson: As I understand it, it provides that if it is established that the money has been paid out incorrectly—improperly—then it is a debt due and payable to the Crown.

Mr. Lind: To the Crown, yes. But it takes precedence over all other debts. Not only that, but any other debt any time.

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Mr. Newman: This would have to be read in conjunction with the Bankruptcy Act.

Mr. Lind: Not necessarily.

Mr. Newman: In case of bankruptcy it would, because this does not specially refer to bankruptcy.

Mr. Lind: In a proposal of bankruptcy it carries the same weight, does it not?

Mr. Newman: Like what?

[Interprétation]

sur un principe de droit coutumier ou un principe statutaire quelconque. Cela tombe, soit sous le code civil, soit sous le droit coutumier, etc. C'est indiqué clairement ici, noir sur blanc, dans les statuts.

M. Lind: Monsieur le président, qui est protégé dans ce cas-ci, alors?

M. Newman: La Couronne.

M. Lind: Les inspecteurs, ou qui?

L'hon. M. Olson: Les contribuables, monsieur Lind.

M. Lind: Les contribuables?

L'hon. M. Olson: Oui. Si l'argent est retiré du Trésor à la suite d'une falsification, d'une fraude, etc., c'est le contribuable qui doit être protégé.

M. Lind: Est-ce qu'il y a d'autres méthodes plutôt que celle-là pour le protéger?

L'hon. M. Olson: Il y en a peut-être, certainement. Mais, comme M. Newman vous l'a indiqué, dans de nombreux statuts vous avez une base vous permettant de récupérer, de recouvrer l'argent qui a été versé à tort.

M. Lind: C'est peut-être une mauvaise analyse, ce n'est pas toujours nécessairement une falsification.

L'hon. M. Olson: Non, en fait, ce que je crois savoir, c'est que cela indique clairement qu'il est prévu que, s'il est prouvé que l'argent a été versé incorrectement, injustement, eh bien, c'est alors une dette qui doit être remboursée à la Couronne.

M. Lind: Mais, cela a préséance sur toutes les autres dettes. Et aussi sur n'importe quelle dette, à tout moment.

M. Newman: Eh bien, cela devrait être étudié à la lumière de la Loi sur la faillite.

M. Lind: Pas nécessairement.

M. Newman: S'il y a un cas de faillite, certainement que cela s'appliquerait. Mais ici, il ne s'agit pas directement de faillite.

M. Lind: Mais, en cas de faillite, cela a la même valeur, n'est-ce pas?

M. Newman: Par exemple?

[Text]

Mr. Lind: It takes precedence over all other creditors, does it not?

Mr. Newman: Yes, but this particular provision does not specifically relate to bankruptcy. And in order to consider the effect this would have on a bankrupt farmer or a farmer who has submitted a proposal of bankruptcy, you would have to refer to the provision of the Bankruptcy Act which deals with priority of payments or priority of creditors.

Mr. Lind: What legal procedures would you have to go through to collect this debt? Let us suppose that through no fault of the farmer but through the fault of the people that are recommending the compensation they have recommended an amount too great and then they want to reclaim it. What procedure do you follow?

Mr. Newman: The normal procedure for collecting debts would be followed. In other words, usually demands are made by the department concerned—in this case it would be the Department of Agriculture—and the farmer would be informed that in the opinion of the members of the department he is legally indebted to reimburse the Crown. If no action is obtained, in that case then legal action could be commenced in the Exchequer Court of Canada by the filing of the information, and then the case ultimately would be heard by a judge if there was no settlement in the interim. So a judge of the Exchequer Court would have the final word. Of course there would be the normal appeal procedures from the judgment of the Exchequer Court.

Mr. Lind: Is there any legal assistance for the farmer in this case to protect his rights, or does he have to bear this out of his own pocket?

Mr. Newman: That would depend on the provincial laws. If he qualifies under a provincial legal aid scheme, yes. He would be protected in that way. But if there were no legal aid schemes in effect in his province, then he would have to bear the costs like any other litigant.

Mr. Lind: Virtually if it is proven that the fault is in the manufacture of the product, in that the instructions on the can were not satisfactory to the Food and Drug Directorate that accepted it, then is the farmer still liable for this?

Mr. Newman: That is another question. The fault of the farmer is only relevant insofar as he has over-collected from the Crown, if I may use that term.

[Interpretation]

M. Lind: Elle donne préséance sur tous les créanciers, n'est-ce pas?

M. Newman: Il faut, pour que cela soit appliqué à un cas de faillite, que l'on se réfère à la Loi sur la faillite.

M. Lind: Monsieur le président, quelle est la procédure pour recouvrer cette dette? Supposons que ce n'est pas le fermier qui soit en tort, mais plutôt ceux qui ont recommandé que l'on verse cette indemnité, et qu'ensuite on s'aperçoit qu'ils se sont trompés. Alors, quelle est la procédure que vous envisagez, à ce moment-là?

M. Newman: La procédure normale de recouvrement des dettes serait applicable, c'est-à-dire que le ministère intéressé fait une demande, en l'occurrence, ici, le ministère de l'Agriculture, et le cultivateur est avisé, alors, que, de l'avis des responsables du ministère de l'Agriculture, il est légalement endetté à l'égard de la Couronne. Il n'y a pas d'action à ce moment-là, mais il se peut qu'il y en ait une devant la cour de l'Échiquier du Canada. Et, à ce moment-là, il y aurait audience devant un juge, au cas où il n'y aurait pas eu règlement dans l'intervalle. Donc, autrement dit, c'est la cour de l'Échiquier qui aurait le dernier mot. Mais on pourrait alors en appeler du jugement.

M. Lind: Est-ce que le cultivateur peut être aidé dans cette affaire pour être protégé dans ses droits? Ou, est-ce qu'il doit se débrouiller tout seul?

M. Newman: Au fait, cela dépendra des lois provinciales. S'il a droit à une aide judiciaire, il pourra être aidé; à ce moment-là, il serait protégé. Mais, s'il n'y a pas de caisse d'assistance judiciaire dans sa province, alors, il serait seul.

M. Lind: En fait, si, à la fin, on s'aperçoit que c'est le fabricant du produit qui a tort et que les instructions sur la boîte n'étaient pas conformes à ce qu'elles auraient dû être, alors que la direction des aliments et drogues les avait acceptées, est-ce que le cultivateur est toujours responsable, malgré tout?

M. Newman: Là, c'est tout à fait autre chose. La culpabilité du cultivateur n'existe que s'il a trop perçu de la Couronne, si vous me permettez d'utiliser le terme.

[Texte]

Mr. Williams: Mr. Chairman, if I might answer in part Mr. Lind's last question, the intent of subsection (2) of section 5 is that if there appears to be a great deal of doubt or some doubt as to whose fault or where the fault lies, subsection (2) of section 5 authorizes the Minister to make payments of compensation to the farmer and then later collect from the manufacturer, if it is his view the blame is difficult to assess and it may be difficult for the farmer to go and get this. In other words, there is this opportunity really for the Minister to intervene with the manufacturer on the part of the farmer. The intent was to provide that protection to the farmer, where it was a difficult and complex case. The compensation would be paid, with the Minister then taking recourse against the manufacturer.

Mr. Lind: Is this clause included in all acts where we give compensation on any cases?

Mr. Williams: I cannot answer that specifically about all acts. This declaration of an overpayment as being a debt to the Crown is included in many other acts, but I would not say all acts.

Mr. Newman: I will give an example. You will find this clause in the War Veterans Allowance Act, whereby war veterans may claim an allowance if their income does not reach a certain minimum. But if they give false information or it turns out that they did not really qualify, then the Crown has the right to recover through the provisions of a section very similar to subsection (2) of the proposed section 5.

Mr. Lind: Thank you, Mr. Chairman.

The Chairman: I have one other questioner. Mr. Horner, do you have lengthy questions?

Mr. Horner: No, my questions are generally quite brief. It may take me quite a while to get the answers.

The Chairman: It is now 11.45, and unless there is some disposition on the part of the Committee to conclude consideration of clause 5, we will adjourn and we will meet again. You will be notified by the Chair.

[Interprétation]

M. Williams: Pour revenir à la dernière question de M. Lind, à l'article 5 (2), il est dit que le ministre peut si l'on ne sait pas qui est responsable, qui est coupable,

exercer pour le compte du cultivateur tout recours contre un fabricant...

Si, d'après lui, il est difficile de vérifier qui est coupable, autrement dit, il y a toujours cette possibilité pour le ministre d'intervenir auprès du fabricant et de se mettre, en quelque sorte, du côté du cultivateur; autrement dit, il le protège. Si le versement a été fait, à ce moment-là, le ministre peut intervenir auprès du fabricant.

M. Lind: Est-ce qu'il y a des cas où, de toute façon, nous donnerions une indemnité à tout instant, à tout moment, dans telle circonstance.

M. Williams: Je ne peux pas répondre à cela. Cet excédent de paiement représentant une dette à l'égard de la Couronne figure dans plusieurs lois, mais non dans toutes.

M. Newman: On le voit, par exemple, dans la Loi sur les allocations aux anciens combattants. Par exemple, un ancien combattant peut demander une allocation si son revenu n'atteint pas un minimum donné, mais, s'il fournit des renseignements erronés ou si, vraiment, il n'a pas droit à l'allocation, à ce moment-là, la Couronne a le droit de recouvrer la somme. En vertu de la loi, rédigée dans des termes semblables à ceux de l'article 5 (2), ici, elle peut récupérer l'argent.

M. Lind: Merci, monsieur le président.

Le président: Une autre question? Monsieur Horner, vous avez une question?

M. Horner: En fait, ma question est très brève. Il faudra peut-être longtemps pour que j'obtienne une réponse, mais enfin.

Le président: Il est 11h45 et, à moins que l'on veuille terminer, si l'on reconnaît qu'on a terminé l'article 5, on peut lever la séance. Vous serez avisés de la prochaine séance par le président. La séance est levée.

OFFICIAL BILINGUAL ISSUE

HOUSE OF COMMONS

First Session

Twenty-eighth Parliament, 1968-69

STANDING COMMITTEE

ON

FASCICULE BILINGUE OFFICIEL

CHAMBRE DES COMMUNES

Première session de la
vingt-huitième législature, 1968-1969

COMITÉ PERMANENT

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 14

TUESDAY, JANUARY 28, 1969

LE MARDI 28 JANVIER 1969

Respecting

Bill C-155, the Pesticide Residue Compensation Act.

Bill C-154, the Plant Quarantine Act.

Bill C-157, the Pest Control Products Act.

Concernant

Le Bill C-155, Loi sur l'indemnisation pour dommages causés par les pesticides.

Le Bill C-154, Loi sur la quarantaine des plantes.

Le Bill C-157, Loi sur les produits antiparasitaires.

Including Second and Third Reports
to the House.

Y compris les deuxième et troisième
Rapports à la Chambre.

Appearing:

Minister of Agriculture

Hon. H. A. Olson

A comparu:

Ministre de l'Agriculture

WITNESSES—TÉMOINS

From the Department of Agriculture:

Deputy Minister

Director General of Production
and Marketing

Director of Plant Products
Division

Director of Plant Protection
Division

Departmental Legal Adviser

Mr. S. B. Williams

Mr. C. R. Phillips

Mr. C. H. Jefferson

Dr. D. S. MacLachlan

Mr. Harvey Newman

Du ministère de l'Agriculture:

Sous-ministre

Directeur-général de la produc-
tion et des marchés

Directeur de la Division des
produits végétaux

Directeur de la Division de la
protection des végétaux

Conseiller juridique

STANDING COMMITTEE ON
AGRICULTURE

Chairman
Vice-Chairman

Bruce S. Beer
Marcel Lessard
(Lac-Saint-Jean)

COMITÉ PERMANENT DE
L'AGRICULTURE

Président
Vice-président

and Messrs.

Barrett,
Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas,
²Downey,
Duquet,
Gauthier,
Gleave,

Howard (*Okanagan*
Boundary),
Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lefebvre,
Lind,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),

Et MM.

Peters,
Pringle,
Roy (*Laval*),
St. Pierre,
Southam,
¹Stewart (*Okanagan*
Kootenay),
Thomson (*Battleford-*
Kindersley),
Whicher,
Yanakis—30.

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

¹ Replaced Mr. Foster on January 27, 1969. ¹ Remplace M. Foster, le 27 janvier 1969.

² Replaced Mr. Horner on January 28, 1969. ² Remplace M. Horner, le 28 janvier 1969.

REPORTS TO THE HOUSE

WEDNESDAY, January 29, 1969.

The Standing Committee on Agriculture has the honour to present its

SECOND REPORT

Pursuant to its Order of Reference of Tuesday, January 14, 1969, your Committee has considered Bill C-155, the Pesticide Residue Compensation Act, and has agreed to report it without amendment.

A copy of the Minutes of Proceedings and Evidence relating to this Bill (*Issues Nos. 12, 13 and 14*) is tabled.

Respectfully submitted,

Le président,
BRUCE S. BEER,
Chairman.

WEDNESDAY, January 29, 1969.

The Standing Committee on Agriculture has the honour to present its

THIRD REPORT

Pursuant to its Order of Reference of Tuesday, January 14, 1969, your Committee has considered Bill C-154, the Plant Quarantine Act, and has agreed to report it with the following amendment:

In Clause 7, Sub-clause 2, line 1, after the word "shall", insert the word "knowingly".

A copy of the Minutes of Proceedings and Evidence relating to this Bill (*Issue No. 14*) is tabled.

Respectfully submitted,

Le président,
BRUCE S. BEER,
Chairman.

RAPPORTS À LA CHAMBRE

LE MERCREDI 29 janvier 1969.

Le Comité permanent de l'agriculture a l'honneur de présenter son

DEUXIÈME RAPPORT

Conformément à l'ordre de renvoi du mardi 14 janvier 1969, le Comité a étudié le Bill C-155, Loi sur l'indemnisation pour dommages causés par les pesticides, et est convenu d'en faire rapport sans modification.

Un exemplaire des procès-verbaux et témoignages relatifs à ce bill (*fascicules n^{os} 12, 13 et 14*) est déposé.

Respectueusement soumis,

LE MERCREDI 29 janvier 1969.

Le Comité permanent de l'agriculture a l'honneur de présenter son

TROISIÈME RAPPORT

Conformément à l'ordre de renvoi du mardi 14 janvier 1969, le Comité a étudié le Bill C-154, Loi sur la quarantaine des plantes, et est convenu d'en faire rapport avec la modification suivante:

A l'article 7, paragraphe 2, ligne 1, après le mot «faire» et avant la virgule, insérer le mot «sciemment».

Un exemplaire des procès-verbaux et témoignages relatifs à ce bill (*fascicule n^o 14*) est déposé.

Respectueusement soumis,

(Text)

MINUTES OF PROCEEDINGS

TUESDAY, January 28, 1969.

(15)

The Standing Committee on Agriculture met at 9.38 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas, Downey, Gauthier, Gleave, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), Lind, McKinley, Peters, Pringle, Roy (*Laval*), Stewart (*Okanagan-Kootenay*), Whicher, Yanakis—(20).

Also present: The Hon. D. S. Macdonald, M.P.; Senator Hastings.

In attendance: From the Department of Agriculture: The Hon. H. A. Olson, Minister; Mr. S. B. Williams, Deputy Minister; Mr. C. R. Phillips, Director General of Production and Marketing; Mr. C. H. Jefferson, Director of Plant Products Division; Dr. D. S. MacLachlan, Director of Plant Protection Division; Mr. Harvey Newman, Departmental Legal Adviser.

The Committee resumed consideration of Clause 5 of Bill C-155, the Pesticide Residue Compensation Act.

Clauses 5, 6, 7 and 8 were carried, in the course of which Messrs. Williams, Phillips and Newman were questioned from time to time.

After some questions, Clause 9 was allowed to stand.

Clauses 10, 11, 12, 13, 14, 15, 16 and 17 were carried, in the course of which the Minister and the aforementioned Departmental officials answered questions from time to time.

At 11.37 a.m., the Committee adjourned to 3.35 p.m. this day.

(Traduction)

PROCÈS-VERBAUX

Le MARDI 28 janvier 1969.

(15)

Le Comité permanent de l'Agriculture se réunit ce matin à 9 h. 38, sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas, Gauthier, Gleave, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), Lind, McKinley, Peters, Pringle, Roy (*Laval*), Stewart (*Okanagan-Kootenay*), Whicher, Yanakis—(20).

De même que: L'hon. D. S. Macdonald, député, et M. Hastings, sénateur.

Aussi présents: Du ministère de l'Agriculture: L'hon. H. A. Olson, ministre; M. S. B. Williams, sous-ministre; M. C. R. Phillips, directeur général, Direction de la production et des marchés; M. C. H. Jefferson, directeur de la Division des produits végétaux; M. D. S. MacLachlan, directeur de la Division de la protection des végétaux; et M. Harvey Newman, conseiller juridique du Ministère.

Le Comité reprend l'examen de l'article 5 du Bill C-155: Loi sur l'indemnisation pour dommages causés par les pesticides.

Les articles 5, 6, 7 et 8 sont adoptés. MM. Williams, Phillips et Newman ayant été interrogés entre temps.

Après quelques questions, le Comité réserve l'article 9.

Les articles 10, 11, 12, 13, 14, 15, 16 et 17 sont adoptés, le Ministre et les représentants du Ministère susmentionnés ayant été interrogés.

A 11 h. 37 du matin, le Comité s'ajourne jusqu'à 3 h. 35 de l'après-midi.

AFTERNOON SITTING
(16)

The Committee resumed at 3.35 p.m. this day, the Chairman Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas, Gleave, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), Lefebvre, Lessard (*Lac-Saint-Jean*), Lind, McKinley, Peters, Pringle, Roy (*Laval*), Stewart (*Okanagan-Kootenay*), Whicher—(18).

Also present: Senator Hastings.

In attendance: Same as at the morning sitting.

On clause 9 of Bill C-155, Mr. Gleave moved an amendment:

That subsection (a) of clause 9(1) be deleted.

After some discussion, the motion was negated on a show of hands: YEAS 3, NAYS 11.

Following further questioning of the Minister, assisted by Messrs. Williams and Newman, Mr. Danforth moved an amendment to clause 9, sub-clause 1:

Deleting the words "of this Act" after the word "provision" and inserting the words "as set out under sections (1) and (2) of clause 8".

After some discussion, the motion was negated on a show of hands: YEAS 6, NAYS 9.

Clause 9 was carried.

On clause 1, there were some questions; and Mr. Williams, in reply to Mr. Gleave, referred to the following three documents which, it was agreed, would be printed with today's proceedings:

Research Funds and Manpower in Pesticides Research in Canada, Voted 1966-67, Estimated 1967-68 (*Appendix F*).

Estimated Expenditure by Canadian Pesticide Industry on Research during 1967-68 (*Appendix G*).

Estimated Expenditure by Canada Department of Agriculture Research

SÉANCE DE L'APRÈS-MIDI
(16)

Le Comité se réunit de nouveau cet après-midi à 3 h. 35, sous la présidence de M. Beer.

Présents: MM. Barrett, Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas, Gleave, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), Lefebvre, Lessard (*Lac-Saint-Jean*), Lind, McKinley, Peters, Roy (*Laval*), Stewart, (*Okanagan-Kootenay*), Whicher—(18).

De même que: Le sénateur Hastings.

Aussi présents: Les mêmes personnes qu'à la séance du matin.

Sur l'article 9 du Bill C-155, M. Gleave propose une modification:

Que l'alinéa *a*) du paragraphe (1) de l'article 9 soit supprimé.

Après débat, la proposition est rejetée, par un vote à main levée, par 11 voix à 3.

Le Ministre, aidé par MM. Williams et Newman, répond à d'autres questions, puis M. Danforth propose une modification au paragraphe (1) de l'article 9:

Que l'on remplace les mots «de la présente loi», qui suivent le mot «disposition», par les termes «énoncés dans les paragraphes (1) et (2) de l'article 8».

Après débat, la proposition est rejetée, par un vote à main levée, par 9 voix à 6.

L'article 9 est adopté.

Sur l'article 1, on pose quelques questions, et M. Williams, en réponse à M. Gleave, mentionne les trois documents suivants, que l'on décide d'imprimer en appendice aux délibérations d'aujourd'hui:

Fonds destinés à la recherche et effectifs consacrés à la recherche sur les antiparasitaires au Canada. Crédits votés 1966-1967. Estimations 1967-1968 (*Appendice F*).

Estimation des dépenses faites par l'industrie antiparasitaire pour la recherche, 1967-1968 (*Appendice G*).

Branch during 1967-68 (*Appendix H*).

Clause 1, the title and the Bill were carried, and it was agreed that the Chairman would report Bill C-155 without amendment.

The Committee entered upon consideration of Bill C-154: An Act to prevent the introduction or spreading of pests injurious to plants: short title—the Plant Quarantine Act.

On Clause 2, the Minister gave an introductory statement.

Clauses 2, 3, 4, 5 and 6 were carried, in the course of which the Minister, Mr. Williams and Mr. Phillips answered questions from time to time.

On Clause 7, Mr. Douglas moved an amendment to sub-clause (2) line 1:

Inserting the word “knowingly” after the word “shall”.

The motion was carried and clause 7 was carried as amended.

Clauses 8, 9 and 10 were carried, with questions on the latter two.

Clauses 11 and 12 were considered in their order and each was allowed to stand.

At 5.37 p.m., the Committee adjourned to 8.08 p.m. this day.

EVENING SITTING (17)

The Committee resumed at 8.08 p.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas, Downey, Gleave, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), McKinley, Moore (*Wetaskiwin*), Peters, Pringle, Roy (*Laval*), Stewart (*Okanagan-Kootenay*), Whicher—(18).

In attendance: Same as at the morning sitting, plus Mr. C. L. Stevenson, Chief,

Estimation des dépenses faites par la Direction de la Recherche du ministère de l'Agriculture, 1967-1968 (*Appendice H*).

L'article 1, le titre et le Bill sont adoptés, et l'on décide que le président fera rapport du Bill C-155 sans modification.

Le Comité passe à l'examen du Bill C-154: Loi ayant pour objet d'empêcher l'introduction ou la propagation de parasites nuisibles aux plantes—dont le titre abrégé est: Loi sur la quarantaine des plantes.

Sur l'article 2, le Ministre fait une déclaration préliminaire.

Les articles 2, 3, 4, 5 et 6 sont adoptés, le Ministre, ainsi que MM. Williams et Phillips, ayant répondu à des questions dans l'intervalle.

Sur l'article 7, M. Douglas propose une modification à la première ligne du paragraphe (2):

Que l'on insère, après le mot «faire» et avant la virgule, le mot «sciemment».

La proposition est adoptée, et l'article 7 modifié est adopté.

Les articles 8, 9 et 10 sont adoptés, les deux derniers ayant fait l'objet de questions.

Les articles 11 et 12 sont examinés l'un après l'autre, et tous deux sont réservés.

A 5 h. 37, le Comité s'ajourne jusqu'à 8 h. 08 ce soir.

SÉANCE DU SOIR (17)

Le Comité se réunit de nouveau ce soir à 8 h. 08, sous la présidence de M. Beer.

Présents: MM. Barrett, Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas, Downey, Gleave, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), McKinley, Moore (*Wetaskiwin*), Peters, Pringle, Roy (*Laval*), Stewart (*Okanagan-Kootenay*), Whicher—(18).

Aussi présents: Les mêmes personnes qu'à la séance du matin, et, de plus, M.

Feeds Fertilizers and Pesticides Section,
Plant Products Division.

On clause 11 of Bill C-154, Mr. Newman gave an explanation.

Clause 11 was carried.

On clause 12, Dr. MacLachlan gave a statement and following some questions, that clause was carried.

On clause 13, the Minister, and Messrs. Williams, Phillips and Newman answered questions.

Clause 13 was carried.

Clauses 14, 15, and 1 were carried as were the title and the Bill in that order.

It was agreed that the Chairman would report Bill C-154 with amendment.

The Committee entered upon consideration of Bill C-157: An Act to regulate products used for the control of pests and the organic functions of plants and animals: short title—the Pest Control Products Act.

On clause 2, the Minister gave a brief statement and following some questions, clause 2 was carried.

On clause 3 there were questions and that clause was carried.

On clause 4, the Minister, Mr. Williams and Mr. Jefferson answered questions.

Clause 4 was allowed to stand.

At 9.30 p.m., the Committee adjourned to the call of the Chair.

C. L. Stevenson, chef de la Section des aliments du bétail, engrais et antiparasitaires, Division des produits végétaux.

Sur l'article 11 du Bill C-154, M. Newman donne une explication.

L'article 11 est adopté.

Sur l'article 12, M. MacLachlan fait une déclaration, puis, après quelques questions, l'article est adopté.

Sur l'article 13, le Ministre, ainsi que MM. Williams, Phillips et Newman répondent à des questions.

L'article 13 est adopté.

Les articles 14, 15 et 1 sont adoptés, ainsi que le titre et le Bill, dans cet ordre.

Il est décidé que le président fera rapport du Bill C-154 avec une modification.

Le Comité passe à l'examen du Bill C-157: Loi ayant pour objet de régler les produits utilisés pour détruire les parasites et agir sur les fonctions organiques des plantes et des animaux—dont le titre abrégé est: Loi sur les produits antiparasitaires.

Sur l'article 2, le Ministre fait une brève déclaration, puis, après quelques questions, l'article 2 est adopté.

Sur l'article 3, on pose des questions, puis cet article est adopté.

Sur l'article 4, le Ministre, ainsi que MM. Williams et Jefferson, répondent à des questions.

L'article 4 est réservé.

A 9 h. 30 du soir, le Comité s'ajourne jusqu'à nouvelle convocation du président.

Le secrétaire du Comité,

Michael A. Measures,

Clerk of the Committee.

[Text]

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday, January 28, 1969

• 0939

The Chairman: Gentlemen, I think if we could come to attention, we could start our meeting.

When the Committee rose on Thursday last we were considering Clause 5 of Bill C-155. Of those on my list to recognize I had Mr. Horner; Mr. Horner is replaced by Mr. Downey.

Before we proceed with that part of the meeting, I would like to have the opportunity of presenting the Minister to you because he has a statement that he would like to make at the outset. Mr. Minister?

The Hon. H. A. Olson (Minister of Agriculture): Mr. Chairman, there are two things I wish to mention. The Canadian Agricultural Congress is slated to begin here on March 24. I would like to have an expression from the Committee as to how we should handle the invitations to the Members of Parliament. There are two ways, I suppose. One is that we could invite a certain number to be delegates and the rest of the Committee as observers. It is not clear in my mind what you would wish, but you might think about this: that if we issued an invitation to all the members of this Committee, I believe it is 30, to be observers to the Congress, then you of course would have that degree of freedom, I suppose, to attend all the workshops and so on that will be taking place, and indeed the plenary sessions.

On the other hand, if we were to invite some as delegates, it would restrict those people somewhat to paying particular attention to whichever section they were assigned to. On balance, I think you might like to have an invitation as observers to the whole of the Congress and then feel free to attend wherever you like. However, I think perhaps we could try to find five or perhaps six invitations for full delegates if you would like to have it that way.

• 0940

The other point I would like to bring up, Mr. Chairman, is that it is rather important

[Interpretation]

TÉMOIGNAGES

(Enregistrement électronique)

[Interprétation]

Le président: Messieurs, si vous voulez bien faire silence, nous allons ouvrir la séance.

Lorsque nous avons ajourné nos délibérations jeudi dernier, nous en étions à l'examen de l'article 5 du Bill C-155. J'avais sur ma liste le nom de M. Horner, qui est aujourd'hui remplacé par M. Downey.

Avant que nous ne passions aux questions, j'aimerais donner la parole au ministre, qui a une déclaration à faire dès maintenant. Monsieur le ministre.

L'hon. H. A. Olson (ministre de l'Agriculture): Monsieur le président, il y a deux choses que j'aimerais mentionner. Le Congrès canadien de l'agriculture doit débiter ici le 24 mars. Je voudrais que le Comité me fasse savoir comment il veut que nous procédions en ce qui concerne les députés à inviter. Il y a deux façons, je crois. Nous pourrions, soit inviter un certain nombre de députés à être délégués, et le reste du Comité pourrait se rendre au Congrès en tant qu'observateurs. Je ne suis pas très sûr... de savoir ce que vous voulez. Mais nous pourrions envoyer une invitation à tous les membres du Comité. Je crois que vous êtes trente. Vous pourriez être observateurs au Congrès et vous auriez naturellement une certaine marge de liberté qui vous permettrait de participer aux divers ateliers et autres qui seront organisés et également aux séances plénières.

Par ailleurs si nous invitons certains des députés comme délégués, cela leur permettrait de ne s'intéresser qu'à certaines sections particulières, pour lesquelles ils ont été désignés. Par ailleurs vous pourriez être invités comme observateurs à l'ensemble du Congrès et assister aux séances que vous voudrez. Quoi qu'il en soit, nous pourrions peut-être envoyer cinq ou six invitations de délégués à part entière, si vous voulez.

Il y a autre chose dont je voudrais parler, monsieur le président. Il est assez important

[Text]

that I should be at another meeting for about half an hour. If the Committee would not mind I would like to ask their permission to leave at ten o'clock and return shortly after 10:30.

Mr. Barrett: No problem.

The Chairman: Would you want an expression of opinion on the first matter?

Mr. Olson: Yes.

Mr. Douglas: Could I ask a question on the first matter Mr. Chairman? What is the difference in the standing of an observer and a fully qualified delegate? Is there that much difference in their conduct, or what they may be permitted to do at the meeting?

Mr. Olson: I think there would be this much difference, that if you were one of the 400 delegates, you would then have to make a choice and be assigned specifically to the workshop or whatever it is that is dealing, for example, with the wheat and oil seeds economy or the dairy section or whatever else. Are there going to be nine?

Mr. S. B. Williams (Deputy Minister of Agriculture): Seven.

Mr. Olson: There are going to be seven of those.

Mr. Williams: There will be seven subjects; there will be 20 workshop groups.

Mr. Olson: There will be 20 workshop groups, and I think if you were a delegate you would then have to accept the responsibility of confining your activities there and making your contribution there. If, on the other hand, you were an observer, perhaps I should say a participating observer, then you would have the freedom to move around to all of these if you wanted to.

An hon. Member: What are the dates?

Mr. Olson: It begins the 24th. It is for three days starting on the 24th.

Mr. Pringle: Mr. Chairman, is an agenda and the format of the Congress available as yet?

Mr. Olson: We have a draft agenda, yes. I am not saying that it is the final one, but it is the first draft.

Mr. Douglas: Would observers be able to speak at these different workshops, or take

[Interpretation]

que je me rende à une autre réunion pendant une demi-heure, et si le Comité veut bien m'excuser, je voudrais lui demander la permission de partir à 10 hres et de revenir un petit peu après 10 hres et demie.

M. Barrett: Il n'y a pas d'objection.

Le président: Voulez-vous que les membres du Comité vous donnent leur avis en ce qui concerne la première partie de vos questions?

M. Olson: Oui.

M. Douglas: Puis-je poser une question concernant la première partie, monsieur le président. Quelle est la différence entre le statut d'observateur et le statut de délégué à part entière? Est-ce qu'il y a une grosse différence dans ce qu'ils doivent faire ou ce qu'ils peuvent faire lors de la réunion?

M. Olson: Si vous êtes un des quatre cents délégués, vous devez faire un choix et être nommé à un des ateliers, appelez ça comme vous voulez, par exemple en ce qui concerne l'économie du blé et des oléagineux ou l'industrie laitière. Y a-t-il neuf comités?

M. S. B. Williams: Sept.

M. Olson: Il y a sept comités de ce genre.

M. Williams: Il y a sept sujets et vingt groupes d'ateliers.

M. Olson: Il y a 20 groupes d'ateliers.

Si vous étiez délégués, vous devriez alors accepter la charge de limiter vos activités et de contribuer uniquement à un seul comité.

Par contre, si vous étiez observateur, un observateur avec certains droits de participation, vous auriez le droit de vous rendre d'un comité à un autre, vous pourriez assister, selon votre désir, aux comités qui vous intéressent.

Une voix: Quelle est la date du Congrès?

M. Olson: Il dure trois jours et commence le 24.

M. Pringle: Est-ce que vous avez déjà l'ordre du jour et le programme du congrès?

M. Olson: Nous avons déjà un projet d'ordre du jour. Il n'est pas définitif mais c'est en tous cas, un avant-projet.

M. Douglas: Est-ce que l'on pourra prendre la parole à ces différents ateliers? Est-ce

[Texte]

part in the proceedings, or just be listeners? Ask questions, or what have you?

Mr. Olson: I do not quite know what to say about that. I am not sure that we have discussed that point. So far this would be a special arrangement for the Committee because we have no general arrangements for observers except for the international people who will be here; the agriculture attaches to the embassies and other international groups who will not be participating.

• 0945

The Chairman: Mr. Barrett has a question.

Mr. Barrett: Mr. Chairman, I think if we all went as observers then we would be in that category without being specific delegates per se. I think this would be a reasonable position. I am talking personally. I would much prefer to be an observer because I would like to wander about to see exactly what the situation is, and not necessarily participate.

Mr. Olson: Without being tied?

Mr. Barrett: That is right.

Mr. Danforth: Mr. Chairman, may I make an observation here? My understanding is that this Congress is a fact-finding meeting between the various segments of industry and government departments.

The Chairman: Would you please use the microphone?

Mr. Danforth: As my understanding is that this Congress is a fact-finding meeting between various segments of the agricultural industry and various members of the government and the Department of Agriculture, and because it was necessary to limit the delegations, I think the number 400 was used, I feel that it would be perhaps not a fortunate occurrence to name a number of delegates from the Standing Committee on Agriculture. If we were invited in as observers, since it is a general meeting, I do not think anyone would be disposed to prevent us asking pertinent questions or carrying on as participants. I think we would be prepared to accept the role as observers and play it by ear after we were at the meeting.

The Chairman: Are there other views? Mr. Lessard?

[Interprétation]

qu'on pourra participer aux réunions ou simplement être observateurs? Est-ce qu'on pourra poser des questions?

M. Olson: Je ne sais pas très bien quoi vous répondre. Je ne sais pas si on a déjà étudié la question. Jusqu'ici il s'agirait de prendre des dispositions spéciales pour le Comité, car il n'y a pas de dispositions générales pour les observateurs en dehors des représentants internationaux qui assisteront au congrès. L'Attaché agricole, les attachés agricoles des ambassades et des autres organismes internationaux n'y participeront pas.

Le président: M. Barrett veut poser une question.

M. Barrett: Monsieur le président, nous pourrions être tous observateurs. Nous serions dans cette catégorie sans être des délégués en soi. Je pense que ce serait raisonnable. Je parle de mon propre point de vue. Je préférerais être un observateur, en ce qui me concerne, car je voudrais pouvoir aller d'un endroit à l'autre pour évaluer la situation dans son ensemble et non participer formellement.

M. Olson: Sans être lié personnellement?

M. Barrett: C'est ça.

M. Danforth: Monsieur le président, je voudrais faire une remarque. Je crois comprendre qu'il s'agit d'un congrès d'étude visant les différents secteurs de l'agriculture et le gouvernement.

Le président: Voudriez-vous utiliser le micro?

M. Danforth: Si j'ai bien compris, ce congrès est une réunion d'étude entre les différents secteurs de l'agriculture et les représentants du gouvernement et du ministère de l'Agriculture et comme il a été nécessaire de limiter le nombre des délégués, on l'a fixé à 400. Je pense qu'il serait sans doute assez bon de nommer un certain nombre de délégués parmi les membres du Comité permanent de l'Agriculture. Si nous sommes invités en tant qu'observateurs, puisqu'il s'agit d'une assemblée générale, cela ne nous empêchera pas de poser des questions pertinentes ou de nous conduire comme des participants. Nous serions prêts, je crois, à accepter le rôle d'observateurs et ensuite d'agir ou de juger à mesure que la réunion avancera.

Le président: Y a-t-il d'autres opinions? Monsieur Lessard.

[Text]

Le président: Monsieur Lessard.

M. Lessard (Lac-Saint-Jean): J'aimerais avoir une réponse du ministre à la question posée par M. Danforth. Si nous assistons comme observateurs seulement, nous sera-t-il permis de participer au débat, d'émettre une opinion, ou devons nous nous contenter d'écouter passivement?

Mr. Danforth: That is the crux of the whole problem.

Mr. Olson: I think we have to give some further consideration to that, because what we will be involved in here, of course, is, for example, what to do with the other observers and supporting staff that are brought along by the actual delegates, for example the provincial governments. I think there are 50 nominations to be received from all ten provincial governments. My hope would be that we can make some arrangement so that there can be some participation, particularly by the members of this Committee. But I think we would have to give some further consideration to that, if it is going to be the same category as other observers.

The Chairman: Mr. Lambert has a question.

M. Lambert (Bellechasse): Monsieur le président, à ce congrès, est-ce surtout des organisations agricoles qui présenteront des mémoires, ou bien est-ce que les cultivateurs qui y participeront auront la possibilité d'exprimer leurs points de vue?

D'autre part, les membres du Comité qui assisteront à ces réunions pourront-ils également prendre part aux délibérations? Je suppose, par exemple, le cas d'un député qui est en même temps un cultivateur (comme c'est mon cas). Lui sera-t-il possible, en vertu des règlements, évidemment, d'exposer son point de vue comme membre du Comité et aussi (en se plaçant de l'autre côté de la frontière) comme cultivateur?

Mr. Olson: Well, there will be 140 delegates invited from the producer groups, the producer organizations, the Canadian Federation of Agriculture, the Farmers' Union and other producer groups, the commodity groups, the dairy industry, and so on. You ask, can you express your opinion as a member of the Committee and then as a farmer? Well, the only way that you could be a representative of a farm group is if a farm group nominated you as their delegate.

As to this I do not know, but we are not going to name the persons who will be invited; we are going to issue the invitations in

[Interpretation]

The Chairman: Mr. Lessard.

Mr. Lessard (Lake St. John): I would like to have a reply from the Minister concerning Mr. Danforth's question. If we attend as observers only, will we be allowed to participate in the debates, to voice an opinion, or will we have to be passive and just listen?

M. Danforth: Je crois que c'est le cœur même du problème.

M. Olson: Je crois que nous devons étudier un peu plus à fond cette question car ici, il s'agira par exemple de savoir ce que nous ferons avec les autres observateurs et le personnel de soutien qui viendra avec les délégués. Les gouvernements provinciaux, par exemple, délégueront 50 personnes. J'espère que nous pourrions faire certains arrangements afin d'obtenir une certaine participation, principalement de la part des membres de ce Comité. Mais nous devons étudier la question à savoir si vous serez des observateurs comme les autres ou non.

Le président: M. Lambert aimerait poser une question. Monsieur Lambert.

Mr. Lambert (Bellechasse): Mr. Chairman, at this Congress, will it be especially farm organizations that will present briefs or will farmers participating in it be able to express their point of view?

On the other hand, will Committee members who will attend these meetings be able to participate in the debates? Let us take the case of a Member of Parliament who is also a farmer, as I am. Will it be possible for him, in accordance with the Standing Orders, of course, to express his point of view as a Committee member and also—by placing himself on the other side of the fence—as a farmer?

M. Olson: Il y aura 140 délégués venant des producteurs, des organisations agricoles, de la Fédération canadienne de l'agriculture, des syndicats agricoles, des différents groupes représentant les producteurs de denrées, de lait, etc.... Mais vous me demandez si vous pouvez exprimer votre opinion en tant qu'agriculteur et en tant que membre du Comité? La seule façon d'être un représentant d'un groupe agricole serait d'être nommé délégué d'une association agricole. Je ne sais pas si c'est possible.

Mais nous n'allons pas nommer les individus qui seront invités. Nous enverrons des paquets d'invitations à chacun des organismes

[Texte]

bulk to each of the organizations and they will provide us with the names of their nominees.

• 0950

There may be another way we could do it, and that would be to have three or five or six official delegates and rotate them from day to day, plus all of the other members of the Committee as observers. I think there might be a problem if we were to say that the members of this Committee will be observers but shall have all the rights of participation except perhaps moving motions and I do not think there will be any motions. In other words, I am not sure what position we would find ourselves in, when this congress is really for the purpose of giving some advice to government and to Parliament as a result of their thinking out these matters, if we dominated, the discussion while they were trying to give us this advice. Do you see what I mean?

The Chairman: Mr. Clermont, Mr. Danforth and Mr. Gleave have indicated they would like to ask questions. Could we hear their questions before arriving at a decision?

M. Clermont: Monsieur le président, je voudrais exprimer mon opinion personnelle. Je crois qu'il serait préférable, comme membres du comité de l'agriculture, que nous assistions à ces assises seulement comme observateurs parce que cette réunion a été convoquée pour connaître l'opinion des experts ou des personnes versées en agriculture. Je sais que nous sommes intéressés aussi, mais je préférerais que nous assistions seulement à titre d'observateurs car nous aurons l'occasion, plus tard, d'apporter nos commentaires ou d'étudier le rapport de ce comité.

The Chairman: Thank you, Mr. Clermont.

Mr. Danforth: Mr. Chairman, I was very interested in Mr. Clermont's remarks. I think he has a point. However, may I suggest to the Minister, through you Mr. Chairman, that he has opened up this subject this morning and has given us several alternative proposals. Since this meeting is not until March 24 perhaps it would not be necessary to have a consensus this morning. This would give us an opportunity to consider this matter further. It would also give the Minister and his officials an opportunity to pursue the various suggestions made this morning. Perhaps something could be worked out on the status of observers, with power to contribute if necessary. However, it might be found that this would not be feasible. Perhaps he would like this matter considered further and an opinion formed at a later date.

[Interprétation]

qui nous fourniront ensuite le nom des membres de leur délégation. Il y a peut-être une autre façon de procéder: avoir 3, 5 ou 6 délégués officiels et les faire changer de comités à tour de rôle chaque jour. Et tous les autres membres du Comité agiront en tant qu'observateurs.

Il pourrait y avoir un problème si nous disions que les membres du comité sont des observateurs mais auront toutes les prérogatives de participation en dehors peut-être de proposer des motions et je ne pense pas qu'il y aura des motions non plus. En d'autres termes, je ne sais pas quelle serait notre situation alors que ce congrès est réellement là pour aviser le Parlement et le gouvernement au sujet de ces questions, si nous dominons les discussions alors que ces gens essaient de nous donner leur avis. Cela crée une situation étrange.

Le président: M. Thomas, M. Danforth, M. Gleave veulent poser des questions. Nous pourrions peut-être entendre leurs questions avant d'arriver à une décision.

Mr. Clermont: Mr. Chairman, I would like to voice my point of view. Personally I believe that as Committee members we should sit as observers only, because this meeting is being held to note the opinion of experts or people interested in the good of agriculture. I know that as committee members we are also interested in this, but I would prefer it if we attended as observers only, since later on we will be able to voice our opinion or discuss the report of this Committee.

Le président: Merci, monsieur Clermont.

M. Danforth: J'ai été très intéressé par ce qu'a dit M. Clermont. Je pense qu'il y a du bon dans ce qu'il dit. Je voudrais suggérer au ministre par votre intermédiaire monsieur le président, la chose suivante: Il a abordé cette question ce matin et il nous a donné plusieurs possibilités et comme cette réunion n'aura lieu que le 24 mars, il ne sera peut-être pas nécessaire d'avoir un consensus ce matin. Nous aurons alors la possibilité d'étudier cette question plus à fond. Ceci donnera la possibilité au ministre et à ses fonctionnaires d'étudier les diverses possibilités que nous avons avancées ce matin. Peut-être que quelque chose pourrait être trouvée au sujet du statut d'observateur avec possibilité d'intervenir si nécessaire. Toutefois, on trouverait peut-être que cela n'est pas possible. Le ministre voudra peut-être étudier cette question plus à fond et nous pourrions prendre une décision un peu plus tard.

[Text]

The Chairman: Thank you, Mr. Danforth.

Mr. Gleave: Mr. Chairman, I am not particularly anxious to get into a long range discussion at such a conference. However, as there are going to be people there presenting papers and points of view, I would like to be in a position of being able to ask some questions because the conclusions that conference reaches will affect decisions made in this Committee later.

I would agree with Mr. Danforth's suggestion, that possibly having had this discussion the Minister may be able to come in with certain procedural proposals for the Committee at a later time and, if the Committee accepts his proposals or modifies them slightly, we can then take it from there.

Mr. Olson: All right, Mr. Chairman, I will accept the suggestion that we have further discussion.

I would also like you to bear in mind that this is not exclusively a federal conference. We are making the physical arrangements here but all the provincial governments are also participating—and every one of them has agriculture committees. You will have to take that fact into account as well when determining the status of the observers.

• 0955

The Chairman: Thank you, Mr. Olson. We will look forward to your return at 10.30.

Gentlemen we will proceed with consideration of clause 5, Bill No. C-155. Does anyone wish to ask questions?

Mr. Downey: Mr. Chairman, since I am just temporarily replacing Mr. Horner on this Committee I am not aware of what actually has transpired on Clause 5. However, in looking over this clause it would definitely seem to me that there would be very little likelihood of any farmer being able to collect any compensation under it, because in order to do so he would have to launch and be successful in an action against the manufacturer. It would seem to me that in the general course of events the average small farmer would in all likelihood be reluctant to start a case against a major manufacturer, and there would be a great possibility that the case might be unsuccessful even though there was considerable merit on his side. Due to the nature of pesticides and this type of thing it is never just a matter of being black and white; it is a difficult thing to prove.

Could I have some clarification on this.

[Interpretation]

Le président: Merci, monsieur Danforth.

M. Gleave: Monsieur le président, je ne tiens pas particulièrement à faire des interventions trop profondes à cette conférence. Cependant, il y aura là des gens qui présenteront leur opinion ou des mémoires, et je voudrais pouvoir poser des questions aussi, car les conclusions de cette conférence affecteront les décisions qui seront prises plus tard au comité. Donc, je suis d'accord avec M. Danforth. Après avoir entendu ces avis, le ministre pourra revenir et nous donner son avis en ce qui concerne la procédure ultérieurement, et si le comité accepte ces propositions ou peut-être les modifie un peu, nous pourrons ensuite aller de l'avant.

M. Olson: Monsieur le président, j'accepte la suggestion que nous discuterons la question plus tard à nouveau.

J'aimerais souligner qu'il ne faut pas oublier que ce n'est pas exclusivement une conférence fédérale. Nous organisons cette conférence, mais tous les gouvernements provinciaux y participent également, et chacun de ces gouvernements provinciaux a un comité d'agriculture. Donc, vous devrez en tenir compte également lorsque vous établirez au statut d'observateur.

Le président: Merci, monsieur Olson. Donc, nous vous attendons à 10 h. 30.

Messieurs, nous allons continuer nos discussions et nous allons passer à l'article 5 du bill C-155.

Est-ce que vous avez des questions à poser, messieurs?

M. Downey: Monsieur le président, comme je remplace temporairement M. Horner à ce Comité, je ne suis pas au courant de ce qui s'est passé quant à l'article 5 à la dernière réunion. Toutefois, à l'examen de cet article, il me semble absolument qu'il est très peu probable qu'un agriculteur puisse recevoir des compensations en vertu de cet article, car il semblerait que pour y arriver, il devrait poursuivre le fabricant et avoir gain de cause. Il me semble qu'en général le petit agriculteur ou l'agriculteur moyen, selon toute probabilité, éprouvera quelque répugnance à poursuivre un fabricant important et il est tout à fait possible qu'il n'ait pas gain de cause même si son point de vue était parfaitement défendable. Étant donné la nature des pesticides et produits de ce genre, il y a des nuances. Il ne s'agit pas de noir et de blanc sans nuance. C'est difficile à prouver.

Puis-je avoir des explications à ce sujet?

[Texte]

The Chairman: Thank you, Mr. Downey. I will ask Mr. Williams to answer your question.

Mr. S. B. Williams (Deputy Minister of Agriculture): When this clause was drafted it was the intent that the Minister should have the right to require that the farmer take whatever steps the Minister felt necessary to obtain suitable redress from the manufacturer. It does not, however, require that this action be taken by the farmer before the Minister may make any award. In addition to that, it does not require as a matter of strict fact that this be done; it is only if in the view of the Minister it should be done. In addition to that, subsection (2) of the Act makes special provision for the Minister assuming this responsibility on the part of the farmer if the Minister considers it advisable to do so.

Mr. Downey: Do I understand though that the farmer would definitely have to start an action before any compensation could be paid?

Mr. Williams: No, that is not the intent of the section. It is only if in the view of the Minister the farmer has taken whatever steps were necessary (a) to reduce the loss, which might be simply washing some potatoes for example, and (b) to take whatever steps the Minister has deemed necessary to obtain redress from the manufacturer—which may be nil.

Mr. Downey: Do you not think that there might be some latitude taken in the interpretation? The way it is stated here it could be construed to mean that an action would have to be taken. To my mind, it would be more workable if it was set out that if sufficient proof were produced to the Minister the Crown could probably initiate an action against the manufacturer.

Mr. Williams: This is provided for under subsection (2).

• 1000

The Chairman: Thank you, Mr. Downey.

Mr. Danforth: Clause 5(1) states:

No payment of compensation shall be made to a farmer pursuant to this Act in respect of a loss occasioned to him by reason of pesticide residue in or upon an agricultural product until the farmer has taken any steps that the Minister deems necessary...

[Interprétation]

Le président: Merci, monsieur Downey. Je vais demander à M. Williams de répondre à votre question.

M. S. B. Williams (sous-ministre de l'Agriculture): Lorsque cet article a été rédigé, les législateurs pensaient que le ministre devrait avoir le droit d'exiger que l'agriculteur prenne les mesures jugées nécessaires par le ministre pour obtenir des dommages-intérêts du fabricant. Cependant, l'article ne demande pas que l'agriculteur entame les poursuites avant que le ministre ne le demande. On n'impose pas à l'agriculteur de le faire. C'est uniquement si le ministre pense qu'on doit le faire. L'article 2 comporte aussi des dispositions spéciales qui permettent au ministre de prendre cette responsabilité au nom de l'agriculteur si le ministre juge qu'il est bon de le faire.

M. Downey: Dois-je comprendre que l'agriculteur devrait entamer des poursuites avant de pouvoir recevoir toute indemnité?

M. Williams: Non. Ce n'est pas le but de l'article. C'est uniquement si de l'avis du ministre, l'agriculteur a pris a) les mesures nécessaires pour compenser les pertes soit par exemple laver les pommes de terre et b) a pris des mesures jugées nécessaires par le ministre pour obtenir des compensations du fabricant, peut-être rien.

M. Downey: Ne pensez-vous pas qu'il pourrait y avoir une certaine marge en ce qui concerne l'interprétation? Avec ce libellé, on pourrait interpréter qu'il faut entamer des poursuites. A mon avis, il serait plus pratique de dire que si une preuve suffisante est apportée au ministre, la Couronne peut entamer des poursuites.

M. Williams: Cela est prévu à l'article 2.

Le président: Merci, monsieur Downey.

M. Danforth: Dans l'article 5, on lit:

Aucune indemnité ne doit être payée à un cultivateur, en conformité de la présente loi, pour une perte subie par lui par suite de la présence de résidus de pesticide dans un ou sur un produit agricole tant que le cultivateur n'a pas pris les mesures que le Ministre juge nécessaires...

[Text]

But subclause (7) of this same clause says:

Except as provided by this Act, no compensation paid under this Act shall in any way interfere with or lessen the right of an aggrieved person to any legal remedy...

I am at a loss to know why subclause (7) is necessary under subclause (2) it is the intent that the Minister takes no action until legal action has been taken.

The Chairman: Mr. Phillips will reply.

Mr. Phillips: Mr. Chairman, in drafting this bill we tried to cover a situation which recognized that there might be a case against the manufacturer by the farmer and it may be a difficult case to prove, to make it as easy as possible for the farmer to get compensation if he were in difficulty. If it appeared that there were a case against the manufacturer in the opinion of the Department of Justice, and it would be a difficult one, it provides for compensation and agreement by the farmer that the government could take action on behalf of the farmer.

This latter subsection was placed there to make it clear that this would in no way impinge on the right of the farmer to take whatever action he liked against another farmer—you mentioned the example of a spray and so on—to make it perfectly clear this would in no way inhibit the rights of a farmer to get legal remedy.

Mr. Gauthier: Or against the government?

Mr. Phillips: Against the government? I am not certain of the implications in law of that point, but if he has rights of taking the government to court then he would still have according to this. I am not certain whether he has the rights at the moment.

Mr. Danforth: Mr. Chairman, this ties in, as I see it, with subclause (6). It seems that the Department has almost unusual powers in this regard because as it was explained by Mr. Phillips, it is left to the opinion of the Department whether or not a farmer must take legal action before being eligible for compensation, and under the regulations as prescribed in subclause (6), the Department may set out any regulations under which compensation may be paid and the degree of compensation that may be paid. As I read this, there could be a variance in the amount of payment made to two companion farms if it is left entirely to the discretion of the offi-

[Interpretation]

mais au paragraphe (7) de ce même article, on lit:

Sauf les exceptions de la présente loi, aucune indemnité payée en vertu de la présente loi n'atteint, ni ne réduit en aucune façon le droit à toute réparation légale que peut avoir une personne lésée

Comment se fait-il que le paragraphe (7) soit nécessaire lorsque l'intention du paragraphe (2) est que le ministre ne peut pas agir avant que des poursuites soient entamées.

Le président: Pouvez-vous répondre, monsieur Phillips?

M. Phillips: Monsieur le président, lorsqu'on a rédigé ce projet de loi, nous avons essayé de répondre à une situation qui reconnaît que l'agriculteur pouvait poursuivre le fabricant et qu'il aurait peut-être du mal à avoir gain de cause, et, pour aider le plus possible l'agriculteur à obtenir réparation s'il a été lésé. Si le ministère de la Justice s'aperçoit qu'il y a faute de la part du manufacturier, la loi prévoit l'indemnisation de l'agriculteur, et l'accord de ce dernier permettant au gouvernement d'agir en son nom.

Cet alinéa a été placé ici pour montrer que cela n'empêcherait absolument pas l'agriculteur de poursuivre un autre agriculteur, par exemple, dans le cas de pulvérisation, etc. Il est parfaitement clair que cela n'empêcherait nullement l'agriculture de prendre une action légale.

M. Gauthier: Contre le gouvernement?

M. Phillips: Contre le gouvernement, dites-vous? J'ignore exactement ce que la loi prévoit dans un tel cas. Mais s'il a le droit d'intenter des poursuites envers le gouvernement, il devra néanmoins se conformer à la loi. J'ignore s'il a le droit de poursuivre à l'heure actuelle.

M. Danforth: Monsieur le président, cela se rattache donc à l'article n° 6. Il semble que le gouvernement a des pouvoirs presque inusités à cet égard, car, d'après l'explication de M. Phillips, on laisse le soin au ministère de déterminer si le cultivateur doit intenter des poursuites judiciaires avant d'obtenir une indemnisation. D'après les règlements établis en vertu de l'article 6, on peut établir n'importe quel règlement au terme duquel l'indemnisation et le montant de cette indemnisation doit être établi. Comme je le comprends, il pourrait y avoir une différence dans le montant des paiements consentis à des fermes voisines, et cela est laissé entièrement à la

[Texte]

cials, as is stated here. It seems to me that there are no substantial guidelines here. It is left wide open to the discretion of an official whether compensation shall be paid and the degree to which compensation shall be paid.

Mr. Phillips: Mr. Chairman, the purpose of subsection (6) is that you get into a situation where there is a product that is ineligible for sale, and let us say the compensation arising out of that might be \$15,000. This provides authority for the Minister to do something with that product, to take the residue out if the over-all cost would be less than \$15,000 by so doing. That is what subsection (6) is. It provides authority to do something with the product to reduce the loss to the government. In other words, the net cost to the government would be less than that \$15,000. And we had to get authority some place for the expenditure of funds.

• 1005

Le président: Monsieur Clermont.

M. Clermont: Monsieur le président, le paragraphe 2 de l'article 5 est-il complémentaire au paragraphe (1), alinéa b)? A l'alinéa b) on dit que si le cultivateur ne poursuit pas le fabricant qui pourrait être en faute, le ministère pourrait retenir toute indemnité.

The Chairman: I think our equipment was delayed there, Mr. Clermont. Would you repeat your question please?

M. Clermont: Voici, monsieur le président. Le paragraphe 2 de l'article 5 est-il complémentaire au paragraphe (1), alinéa b) du même article? A l'alinéa b), on dit que si le cultivateur, s'il le croit nécessaire, doit poursuivre le fabricant, et s'il ne le fait pas, toute indemnité peut être retenue par le ministère.

The Chairman: We seem to be having a little technical difficulty. Mr. Phillips, can you answer the question?

M. Clermont: Voici ma question, pour la troisième fois, monsieur le président; j'espère que vous ne considérez pas cela comme trois questions. Le paragraphe 2 de l'article 5 est-il complémentaire au paragraphe (1), alinéa b), du même article? On dit, à l'alinéa b) l'article 5, paragraphe (1), que le cultivateur doit poursuivre le fabricant, s'il le croit nécessaire. Autrement, son indemnité va être retenue par le gouvernement.

Mr. Phillips: Mr. Chairman, as I understand the question, it relates to subclauses (2) and (5) and...

[Interprétation]

discretion des fonctionnaires, comme on l'a déclaré ici. Il me semble qu'il n'y a pas de directives substantielles, on laisse tout cela à la discrétion des fonctionnaires qui décideront si on doit indemniser et dans quelle mesure il faut le faire.

M. Phillips: Monsieur le président, l'objet de l'alinéa 6 vise une situation où il s'agit d'un produit invendable dont l'indemnisation, en l'occurrence, pourrait atteindre \$15,000. Cette disposition permet au Ministre de disposer du produit, du résidu, si le coût global de cette action ne dépasse pas \$15,000. C'est la raison de la disposition n° 6. Elle permet de disposer du produit afin de réduire les pertes que doit subir le gouvernement. Autrement dit, le coût net que devra assumer le gouvernement sera de moins de \$15,000. Il fallait que ces dispositions concernant ces dépenses existent quelque part.

The Chairman: Mr. Clermont.

Mr. Clermont: Mr. Chairman, is subclause 2 of clause 5 a supplement of subclause 1, paragraph (b)? It is said in paragraph (b) that if the farmer does not take any action against their manufacturer, who might be at fault, the Department may withhold all compensation.

Le président: Je pense que le matériel de l'interprétation simultanée ne fonctionnait pas comme il faut. Voulez-vous répéter, s'il vous plaît?

Mr. Clermont: Mr. Chairman, is subclause 2 of clause 5 a supplement to subclause 1, paragraph (b) of the same clause? Paragraph (b) states that if the farmer considers it necessary, he must take action against the manufacturer, and should he fail to do so, the Department may withhold all compensation.

Le président: Nous avons une petite difficulté technique. M. Phillips pouvez-vous répondre à la question?

Mr. Clermont: Mr. Chairman, I shall repeat my question for the third time, and I hope you will not consider this as three questions. Is subclause 2 of clause 5 a supplement to subclause 1, paragraph (b) of the same clause? Paragraph (b) of clause 5 states that the farmer must take action against the manufacturer if he believes it is necessary. Otherwise, compensation will be withheld by the government.

M. Phillips: Monsieur le président, si je comprends bien la question, il s'agit des paragraphes 2 et 7.

[Text]

Mr. Clermont: Not subclause (5), Mr. Phillips, subclause (2) and (1), paragraph (b).

Mr. Phillips: Yes. Subclause (2). Its relationship to subclause (1) is that if the Minister deems it unnecessary at that stage for the farmer to take action against the manufacturer and compensation is awarded, he would, before doing so, require the farmer to agree that action could be taken on his behalf in order to recover moneys from the manufacturer.

Mr. Clermont: Mr. Phillips, the farmer can do it on his own too? He could do it according to subclause (1)?

Mr. Phillips: Yes, he could do it on his own before compensation. I would not contemplate that if compensation were paid, that it would be paid if he were not prepared to agree for action to be taken. But on the other hand, if a decision were taken in that way then there is the other section relating to receipt of money from the manufacturer and recompense to the government of such compensation that were paid.

Mr. Clermont: Thank you.

The Chairman: Thank you, Mr. Clermont. Mr. Danforth.

Mr. Danforth: Mr. Chairman, I would like to ask a question I think most farmers would be interested in. Under the terms of this section, would it be possible for farmers to obtain redress from both the company in question and the government? As an example, let us suppose that the farmer brings an action against the company and obtains compensation to a degree which in the opinion of the farmer is not sufficient to cover the loss that he has incurred, or sufficient to fully cover the loss from some of his products being restrained from the market for any reason. Do you see under the terms of this act that it would be possible for a farmer to obtain further redress from the government?

• 1010

Mr. Phillips: I think it would be possible, particularly when you take into account the right of appeal. It may be that in the judgment of the government he got all he should have from the manufacturer if he took the case, but he might not think so. And he could appeal, saying that he should have received more, appeal against the government. You will see it when we come to that appeal section.

[Interpretation]

M. Clermont: Non, pas 5. Il s'agit du paragraphe 2 et du sous-alinéa b) du paragraphe 1.

M. Phillips: Le paragraphe 2. Voici comment ce paragraphe se rattache au paragraphe 1. Si le Ministre juge qu'il n'est pas nécessaire à ce moment-là que l'agriculteur intente des poursuites contre le fabricant et qu'une indemnité est versée, il demandera avant que le cultivateur le fasse, que ce dernier permette qu'on intente des poursuites en son nom pour recouvrer un montant du manufacturier.

M. Clermont: Monsieur Phillips, est-ce que le fermier peut également poursuivre? Peut-il le faire en vertu du sous-alinéa 1?

M. Phillips: Oui, il peut le faire de son propre chef, avant d'être indemnisé. Pour ma part, je ne suppose pas que, si l'indemnisation est versée, l'agriculteur soit payé à moins que ce dernier ne soit prêt à accepter que la poursuite soit intentée. Par contre, si l'on prenait une décision de ce genre, il y a aussi d'autres dispositions concernant les fonds reçus du fabricant et les compensations versées au gouvernement pour l'indemnisation versée.

M. Clermont: Merci.

Le président: Merci bien, monsieur Clermont. Monsieur Danforth.

M. Danforth: J'aimerais poser la question suivante qui, je crois intéresse nombre d'agriculteurs. En vertu de cet article, sera-t-il possible pour un cultivateur d'obtenir une indemnisation, et de la compagnie en cause et du gouvernement? Admettons, par exemple, que le cultivateur poursuive une compagnie et obtienne ainsi une indemnisation qui, dans une certaine mesure, et de l'avis du cultivateur, n'est pas suffisante pour couvrir les pertes qu'il a encourues, vis-à-vis de certains de ses produits rendus impropres à la consommation pour diverses raisons. En vertu de la loi, le cultivateur pourra-t-il obtenir d'autres indemnisations du gouvernement?

M. Phillips: Je crois que cela sera possible surtout si l'on tient compte du droit d'appel. Il se peut que, d'après l'opinion du gouvernement, le cultivateur ait obtenu tout ce qu'il était en droit de recevoir de la part du fabricant. Mais, il n'est peut-être pas de cet avis, et il pourrait en appeler et réclamer davantage. Il s'agira alors d'un appel contre le gouvernement; nous y reviendrons lorsque nous étudierons l'article concernant la droit d'appel.

[Texte]

The Chairman: Gentlemen, shall clause 5 carry?

Clause 5 agreed to.

The Chairman: I direct your attention to clause 6.

Mr. Peters: Mr. Chairman, in relation to clause 6, why are these inspectors not designated now. If we are going to have a lot of these small administrative problems, why are we not designating what branch of the Department or other departments will handle this. It could be either the Food and Drug Directorate or the Department of Agriculture, but in my opinion we should have an indication of what department is going to administer it.

Mr. Williams: The Minister throughout this bill refers to the Minister of Agriculture, and it is only the Minister of Agriculture who will have authority to designate inspectors under this bill.

Mr. Peters: He can designate any inspector he wishes, according to this. He could designate food and drug, or . . .

Mr. Williams: Yes; but it will be the Minister of Agriculture's authority.

Mr. Peters: But my point is that we should have an indication of who is going to inspect it, because it is going to make considerable difference, if it is PFRA, or food and drug, or fruit and vegetable, or meat inspectors who are going to be involved.

The Chairman: Mr. Williams?

Mr. Williams: The intent at the present moment, Mr. Chairman, is that these will be continuing employees of the Department of Agriculture, and where their normal day-to-day duties would lie would depend very much on the particular case. In certain cases, for example, it might be some of our research officers, if a major research problem were involved; if it were a problem related to fruit and vegetables it could be the fruit and vegetable people; if it were to be a problem associated with seed, it could be those in our Plant Products Division. It would depend almost entirely on the nature of the problem under investigation at the time. But the intent is that they will be full-time, continuing employees of the Department of Agriculture.

The Chairman: Thank you, Mr. Peters. Are there further questions on Clause 6?

Clause 6 agreed to.

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[Interprétation]

Le président: Messieurs, l'article 5 est-il adopté?

L'article 5 est adopté.

Le président: Et maintenant, nous en venons à l'article 6.

M. Peters: Monsieur le président, en ce qui concerne l'article 6, pourquoi ces inspecteurs ne sont-ils pas désignés immédiatement? Si nous allons avoir certains problèmes d'ordre administratif, pourquoi ne pas alors choisir le service ou la section, la division du ministère qui s'en occupera? Cela pourrait être soit le Directeur des aliments et drogues ou le ministère de l'Agriculture; à mon avis, on devrait nous indiquer quel sera le ministère chargé de l'exécution de cette loi.

M. Williams: Le ministre de l'Agriculture a le pouvoir de désigner les inspecteurs aux termes de la Loi.

M. Peters: Il peut désigner qui il veut. Il pourrait désigner quelqu'un de la Direction des aliments et drogues.

M. Williams: Oui, mais ce sera la responsabilité du ministre de l'Agriculture.

M. Peters: Mais ce que je signale justement, il me semble qu'on devrait nous indiquer qui va jouer le rôle d'inspecteur car il risque d'y avoir des différences considérables selon qu'il s'agit de la direction des aliments et drogues, d'un inspecteur des fruits et légumes, ou d'un inspecteur des viandes.

Le président: Monsieur Williams?

M. Williams: Nous avons présentement l'intention de nommer des fonctionnaires permanents du ministère de l'Agriculture comme inspecteurs et leurs tâches quotidiennes dépendront évidemment des cas particuliers. Un cas particulier exigera peut-être un chercheur, s'il s'agit d'un problème de recherches. Mais s'il s'agit de fruits et de légumes, ce sera quelqu'un de la section des fruits et légumes. Si c'est un problème intéressant les semences, il relèvera de la Direction des produits végétaux. Tout dépendra de la nature du problème en cause. Mais il s'agira vraisemblablement d'un fonctionnaire permanent du ministère de l'Agriculture.

Le président: Merci, monsieur Peters. Y a-t-il d'autres questions sur l'article 6?

L'article 6 est adopté.

[Text]

The Chairman: I direct your attention to clause 7. Have you any questions, Mr. Peters?

Mr. Peters: This is an old fashioned clause. Why have we not given any consideration to the Bill of Rights in relation to this clause? Obviously we are not using any new process of law such as the obtaining of warrants, or court orders, and so on. Obviously this is in conflict with the purpose of the Bill of Rights.

It is my understanding that before any of this legislation could be introduced it would have to be certified by the Department of Justice not to be in conflict with that Act. This matter of an inspector entering upon property at anytime to seize books and goods is obviously in conflict with the Bill of Rights.

The Chairman: Mr. Williams?

Mr. Williams: I might say that the entire group of clauses from clause 6 through clause 10 are basically standard administrative procedures to permit effective implementation of various acts of the government.

Your statement about the Bill of Rights is perfectly correct, and these have all been cleared through Justice for non-contravention of the Bill of Rights.

Mr. Peters: The Bill of Rights does demand the use of due process of law. I am not particularly interested in that side of it, except that I just do not think it is in keeping with other acts.

If you had a complaint from a farmer you would be able to enter his neighbour's property and seize his seed, or agricultural product, or anything you wish under the provisions of this bill, without due process of law, even if he did not want you to do so. The same would be true, of course, for the manufacturer. I am not so interested in protecting him, but I think we still should...

• 1015

Mr. Clermont: Why not? Does he not have the same right?

Mr. Peters: That is the point. By due process of law he has that right. I am not particularly interested in protecting him...

Mr. Clermont: The Bill of Rights applies to everybody.

Mr. Peters: ...but I think that due process of law would warrant that he be protected to that extent.

If you will remember, Mr. Chairman, when the Bill of Rights was introduced I used the

[Interpretation]

Le président: Passons donc à l'article 7. Monsieur Peters.

M. Peters: Puisqu'il s'agit d'un article qui me semble désuet, pourquoi n'avons-nous pas songé à la Charte des droits de l'homme dans le contexte de cette disposition? Il est évident que nous n'avons pas recours à de nouvelles procédures juridiques comme les mandats, ordonnances du tribunal, et ainsi de suite. C'est évidemment à l'encontre des objectifs de la Charte des droits de l'homme.

Je crois comprendre qu'avant de présenter cette mesure, le ministère de la Justice doit nécessairement certifier qu'elle ne va pas à l'encontre de la Loi. Il s'agit notamment du privilège accordé à l'inspecteur d'entrer dans une propriété privée pour examiner les livres et saisir les marchandises. C'est évidemment contraire à la Charte des droits de l'homme.

Le président: Monsieur Williams.

M. Williams: Je puis dire que toutes ces dispositions, de l'article 6 à l'article 10, sont les procédures administratives normales pour la mise en œuvre des diverses lois de l'État.

Votre déclaration au sujet de la Charte des droits de l'homme est tout à fait juste et nous avons obtenu la certification du ministère de la Justice qu'elle ne pêche en rien contre la Charte.

M. Peters: La Charte des droits de l'homme exige qu'on s'en tienne à la procédure juridique. Cet aspect ne m'intéresse peut-être pas particulièrement mais il me semble qu'on déroge de la procédure habituelle. Dès qu'un cultivateur se plaint on pourrait alors, en vertu de cette loi, s'introduire dans la propriété voisine, saisir les produits agricoles, les livres, et ainsi de suite, aux fins de l'inspection, même si le cultivateur refuse. Il en serait de même pour les fabricants. Je ne suis pas particulièrement intéressé à les protéger, mais...

M. Clermont: Pourquoi? N'ont-ils pas les mêmes droits?

M. Peters: Selon la procédure juridique, oui, il aurait le droit. Je ne suis pas particulièrement intéressé à le protéger...

M. Clermont: La Charte des droits de l'homme vaut pour tout le monde.

M. Peters: Mais je crois que la procédure juridique lui accordera au moins cette protection.

Vous vous souviendrez, monsieur le président, que lorsque la Charte des droits de

[Texte]

argument, not that I was opposed to the Bill of Rights, that we had passed the seed Grains Act that year and that there was a standing order to the effect that no bill totally contrary to another bill can be introduced in a session. The Seed Grains Act, or some such act, had said that an inspector may enter on to premises and seize books, and so on, any time at his convenience. This, of course, was contrary to the Bill of Rights, and there was considerable legal argument at that time. We were assured that from that date none of these clauses would be inserted in this way.

This is obviously one of the old clauses, and it applies to almost everything the Department of Agriculture uses. Inspectors have an unlimited amount of power. I merely suggest that in this clause there should be some protection from inspectors, as set out in the Bill of Rights. In the agricultural field this is wide open. Inspectors enter any time they wish. They do not have any of the relationship to law that exists in other agencies.

We discussed this with the officials of the Department of Justice and we discovered that a girl was looking at the relationship between the Bill of Rights and new legislation. We found that all she did was to correct grammatical mistakes in the bills. She did not really know what her job was for. She certified them without really ever having been told what she was certifying them for. She looked for grammatical mistakes and at sentence structure, made a couple of corrections and then initialled them. Obviously, this is still in conflict.

The Chairman: I will now recognize Mr. Gleave.

Mr. Gleave: I tend to agree with the previous speaker. This gives wide powers to the individual to enter upon a farm premises, or, as someone else has mentioned, business premises, without a search warrant. He can simply appear there some morning and say, "I think I should look your premises over," and go and do so. More than that, he can seize documents and material that is you there. I think the income tax people have this right.

What I am concerned about all through this bill is that a great deal of the protection is for the government, not the farmer. This Bill is

[Interprétation]

l'homme a été présentée, j'ai déclaré alors non pas parce que je m'opposais à la Déclaration des droits de l'homme, que la loi sur les provendes avait été adoptée au cours de la même année, et que selon le règlement aucun bill qui soit totalement contraire à un autre bill ne peut être présenté au cours d'une session. La loi des graines de semence ou une loi de ce genre disait que l'inspecteur peut s'introduire dans les locaux pour vérifier les livres, et ainsi de suite à n'importe quel moment selon son bon plaisir. C'est évidemment contraire à la Charte des droits de l'homme et ceci a entraîné beaucoup d'argumentations d'ordre judiciaire. On nous avait assurés qu'aucun article de ce genre ne serait inséré.

Il s'agit ici évidemment d'un de ces articles qui s'applique pratiquement à tout ce que le ministère de l'Agriculture utilise. Les inspecteurs du ministère de l'Agriculture jouissent de pouvoirs illimités. Je suis d'avis que ces articles devraient offrir une certaine protection, conforme à la Charte des droits de l'homme, contre les inspecteurs. Dans le domaine agricole il n'y a pas de restriction. Les inspecteurs peuvent s'introduire dans les champs à volonté. Il n'y a pas là de restriction d'ordre légal, comme ailleurs.

Nous avons discuté de cette question avec le fonctionnaire du ministère de la Justice et nous avons constaté qu'une jeune fille s'occupait d'établir les rapports entre la Charte des droits de l'homme et les nouvelles lois. Et tout ce qu'elle faisait, c'était de corriger les erreurs grammaticales dans les projets de loi. Elle ne savait pas en quoi son travail consistait. Ses directives n'étaient que d'ordre grammatical et orthographique. Elle apportait quelques corrections et paraphait ensuite les projets de loi. Il y a évidemment une antinomie ici.

Le président: La parole est à M. Gleave.

M. Gleave: Je tombe partiellement d'accord avec le préopinant. Je crois qu'on donne des pouvoirs considérables aux inspecteurs en leur permettant d'entrer dans des fermes ou dans des entreprises commerciales sans mandat de perquisition. Ils peuvent se présenter sans préavis et dire: «je dois inspecter vos locaux.» Je dirais même plus, ils peuvent saisir les documents et l'équipement. Je crois que les préposés à l'impôt sur le revenu jouissent de ces droits.

Ce qui me préoccupe dans ce bill, c'est que le gouvernement est beaucoup plus protégé que les cultivateurs. Je crois que l'objet du

[Text]

actually designed as much to protect the government as the farmer—perhaps even more.

At the present time government can move on to a farmer's premises and say: "You have certain pollution here which is unacceptable to the community"—which is what this bill is all about—and it can take certain action against that farmer. If the farmer can show that he is the innocent victim of a product which has been duly licensed by the government for distribution I would assume that he would have recourse to the law and could say to the government, "You have disrupted my operation. You have caused me so much loss", and could possibly recover.

When this Act goes into effect, however, the action which the farmer may take against the government would, I think, although I am not a lawyer, be circumscribed by this Act. He can only do the things which this Act permits him to do in recovering from the government any loss which he has sustained as a result of government action. He is limited by the scope of this bill.

• 1020

This bill does not even say how much the government has to pay. The Executive Branch may, in its wisdom, decide how much, if anything, they are going to pay. They have to pay him something, but there is nothing to say that they have to pay him any given amount.

What concerns me all through this bill is the lack of protection for the farmer whose premises are going to be inspected—how they are going to be judged, what the situation is, and what he may, or may not, recover. This particular clause 7 simply underlines the whole tenor of the bill.

The Chairman: I will ask Mr. Newman to comment, and then I will recognize Mr. Barrett.

Mr. Newman: Mr. Chairman, on Mr. Peters' question on the Bill of Rights, being a legal expert he well knows that the question of...

Mr. Barrett: A which?

Mr. Newman: I think he is generally recognized as a legal expert.

An Hon. Member: Take a bow, Arnold!

Mr. Newman: His fame has preceded him. I have heard of him; and if I have heard of him he must be a legal expert!

I should like to say that the question of due process has received a great amount of con-

[Interpretation]

bill est de protéger autant le gouvernement que les cultivateurs, peut-être même davantage.

A l'heure actuelle, le gouvernement peut envoyer un inspecteur chez un cultivateur en disant: «Il y a ici une pollution qui est inacceptable pour la collectivité», et voilà justement l'objet du bill. Si le gouvernement prend certaines mesures à son égard, le cultivateur peut tenter de démontrer qu'il a été la victime innocente d'un produit dont le gouvernement a autorisé la distribution. Je suppose que le cultivateur peut alors avoir recours à la loi et dire au gouvernement: «Vous avez nui à mon exploitation. Vous avez occasionné des pertes», et demander une indemnisation. Mais une fois que la loi sera en vigueur, les actions qu'il pourrait intenter contre le gouvernement seront circonscrites par la Loi. Il ne pourra faire que ce que la loi lui permet de faire pour obtenir du gouvernement une indemnisation des pertes subies par suite de l'initiative du gouvernement. Il est ainsi restreint par la partie de ce projet de loi.

Le bill ne dit même pas quel montant le gouvernement doit payer. L'État pourra, dans sa sagesse, décider du montant à payer, s'il y a lieu. Il devra payer quelque chose aux termes de la loi mais il n'y a rien qui précise quel montant. Ce qui m'inquiète dans ce bill, c'est le manque de protection accordée au cultivateur dont la ferme sera inspectée, de quelle façon il sera jugé, quelle est sa situation, et ce qu'il pourra récupérer ou non. L'article 7 ne fait que mettre en lumière la teneur du bill.

Le président: Je demande à M. Newman de commenter et je donnerai ensuite la parole à M. Barrett.

M. Newman: Monsieur le président, en ce qui concerne la question de M. Peters se rapportant à la Charte des droits de l'homme, comme il est expert juridique, il sait très bien que la question...

M. Barrett: Il est quoi?

M. Newman: Je crois qu'il est reconnu comme expert juridique.

Une voix: Chapeau bas.

M. Newman: J'ai entendu parler de lui, sa réputation l'a précédé; si j'ai entendu parler de lui, c'est qu'il est certainement un expert juridique. Je voudrais ajouter que la question a été étudiée de très près par les tribunaux et

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sideration in the courts, and the resolution of the problem, I think, is far from final exactly what is due process. It is my opinion that if searches and seizures are permitted by specific legislation, then they are being carried out with due process. There is specific statutory authority for the investigation or seizure of a product. To my knowledge no court has ever held such a statutory provision in conflict with the Bill of Rights.

Mr. Peters: Mr. Chairman, I think that this is true. There have been a number of court cases but none of them have been satisfactorily—they really have never been terminated in making that decision whether the Bill of Rights did cover this or not. I know of an instance where a farmer was in two or three types of farming and one of these, the dairy part of it, ran into difficulty with a disease—brucellosis, perhaps, but I do not think so—one of the diseases, and the farm was quarantined with a total quarantine. This meant that the rest of the farm operation had to be terminated and the farm was closed down and had to remain so for a period of several years as re-contamination kept developing.

It seems to me that to protect the farmer the person should go with a court order to enable this section of the proposed act to be applied against that person. Otherwise it is only the inspector's opinion that this section applies—not that this section applies, but that some other section applies—and he uses this section as his total power to make decisions that are not court decisions in any stage, not even in the final stage; the final conclusion is made by the inspector rather than under the process of law. It may not terminate in compensation at all, but the disruption takes place and it seems to me that is what the Bill of Rights was all about.

There is a section in the Bill of Rights—there is no law passed after 1962, or whenever the Bill of Rights was passed, which will be in conflict with that; yet it seems to me this is. You may have looked at it as you are supposed to, but I suggest that this clause is totally in conflict with that position. It gives the power to the inspector. This is why I asked about the inspectors, because it is inspectors from various sections of the Department of Agriculture who are going to have the power of first saying that this contamination exists; they are going to decide what will be done about that contamination, whether there will be a quarantine or whether the goods will be destroyed or whether the goods will be washed, or what will be done. This decision will be made by the Department; the farmer will have no recourse against it. If you say he has to wash the product before it

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la résolution du problème est loin d'être définitive. A mon avis, si les recherches et les saisies sont autorisées par des mesures législatives, elles sont effectuées en bonne et due forme. Les enquêtes et les saisies sont clairement autorisées par la loi pour certains produits. A ma connaissance, aucun tribunal n'a jamais considéré que de telles dispositions étaient contraires à la Charte des droits de l'homme.

M. Peters: Monsieur le président, je crois que c'est vrai. Il y a eu un certain nombre d'affaires soumises aux tribunaux, mais on n'a jamais décidé de manière définitive si la Charte des droits de l'homme prévoyait ce cas ou non. Par exemple, je connais le cas d'un agriculteur qui avait deux ou trois types différents d'exploitation, dont une laiterie, avec laquelle il a eu des difficultés, dues à une maladie—peut-être la brucellose, mais je ne crois pas—et son exploitation entière a été mise en quarantaine. En conséquence, l'agriculteur en question a dû annuler toute son exploitation agricole pour un certain nombre d'années, en raison de la contamination qui continuait à se développer.

Il me semble que, pour protéger l'agriculteur, la personne devrait avoir une ordonnance du tribunal pour appliquer cet article de la loi envisagée. Sinon, c'est seulement l'inspecteur qui décide que cet article, ou plutôt un autre, s'applique, et il utilise son plein pouvoir de prendre des décisions qui ne sont des décisions du tribunal à aucune étape, pas même à la dernière étape; la décision finale est prise par l'inspecteur, et non en application de la loi. L'affaire ne se termine pas forcément par une indemnisation, mais il y a tout de même eu dérangement, et il me semble que c'est à cela qu'a trait la Charte des droits de l'homme.

Il y est prévu qu'aucune loi adoptée après 1962 ou, enfin, après la date d'adoption de la Charte des droits de l'homme, ne pourra être contraire à cette charte; pourtant, il me semble qu'ici il y a un conflit.

J'estime que cet article est en contradiction absolue avec cette disposition. Il donne plein pouvoir à l'inspecteur. C'est pourquoi j'ai soulevé la question des inspecteurs, car ce sont des inspecteurs de divers services du ministère de l'Agriculture qui vont être habilités à constater qu'il y a une contamination. Ils pourront prendre une décision en ce qui concerne les mesures à prendre à la suite de cette contamination, à savoir, s'il y aura une quarantaine, ou si on lavera les denrées, ou si les produits seront détruits, etc... Cette décision sera prise par le ministère, et l'agriculteur n'aura aucun recours. Il devra, par exemple, si vous l'ordonnez, laver le produit avant de

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is sold, then he will have to wash it. If you say he has to do something else, then he will have to do that. The decision will be made and the final compensation will be made on the decision the inspector makes. The farmer really has recourse against the decision that is made. I consider that the inspector is given the power of a court. This has been true in all the Department of Agriculture. I do not know of any other branch of government that has the power that an inspector in the Department of Fisheries and the Department of Agriculture may have. The compensation is not always in keeping with the action that the inspector may take.

The Chairman: Mr. Newman may have a comment and Mr. Williams has a comment.

Mr. Newman: First of all, Mr. Chairman, the function performed by the inspector is purely administrative, and I think it would greatly hamper the operation of this proposed act if he were to be unduly encumbered by having to obtain a court order. Perhaps I should just confine my answer to my opinion. Whether or not this is a desirable method of having inspection carried out is up to Parliament to decide. I think in any event that it is not in conflict with the due process section or any other section of the Bill of Rights that has been brought to my attention. It is eminently proper from a legal point of view.

Mr. Williams: Mr. Chairman, Mr. Peters raised two questions on which I would like to comment very briefly. The first one was that it would be an inspector of the Department of Agriculture who would first determine that there was contamination. I do not think that will be the case. I think under this proposed act it will be an employee of the Food and Drug Directorate of the Department of National Health and Welfare who will first determine whether there is contamination. You may recall that in the earlier part compensation is only payable upon certification by the Minister of National Health and Welfare that in fact the food or the agricultural product is contaminated and needs to be removed from the market; therefore we must presume, I believe, that the original entry on the farm, if it involves an entry on the farm, which it may not because the goods may have been intercepted at a creamery, for example on something of that nature, will be the responsibility of another department.

I think the government's intent here is very well illustrated by the fact that the government has in this legislation made provision for appeals against its own finding. Later, as

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le vendre. Il devra faire tout ce que vous voudrez. Et l'indemnisation finale sera décidée par l'inspecteur. L'agriculteur n'aura absolument aucun recours contre ces décisions. J'estime que l'on donne à l'inspecteur le même pouvoir qu'à un tribunal. Cela est vrai de tout le ministère de l'Agriculture. Je ne connais aucune direction du gouvernement qui ait des pouvoirs aussi étendus qu'en ont les inspecteurs du ministère de l'Agriculture ou du ministère des Pêcheries. Et l'indemnisation n'est pas toujours appropriée aux mesures prises par l'inspecteur.

Le président: Je crois que M. Newman a une observation à faire, ainsi que M. Williams.

M. Newman: Monsieur le président, je voudrais dire que les fonctions de l'inspecteur sont des fonctions d'ordre administratif. Je crois que l'application de cette loi serait entravée si l'inspecteur devait d'abord obtenir une décision d'un tribunal. Je devrais peut-être simplement donner mon opinion. C'est au Parlement de décider si cette méthode de procéder à l'inspection est souhaitable ou non. A mon avis, cet article ne me semble pas contraire à l'article pertinent de la Charte des droits de l'homme. Et il me semble parfaitement acceptable du point de vue juridique.

M. Williams: M. Peters a soulevé deux questions. Je voudrais y répondre très rapidement. La première est que ce serait à l'inspecteur du ministère de l'Agriculture de déterminer s'il y a eu contamination. Je ne crois que c'est le cas. En application de la loi, ce sera l'employé de la direction générale des aliments et drogues du ministère de la Santé nationale et du bien-être social qui déterminera la contamination. Il est indiqué dans la première partie que la compensation n'est payée que s'il y a un certificat signé par le ministre de la Santé nationale et du Bien-être social, selon lequel l'aliment ou le produit est contaminé et doit être retiré du marché.

Donc je pense, que la visite à la ferme, s'il y a lieu, et ce qui n'est pas forcément le cas, car le produit peut avoir été saisi à la crème-rie, relèvera d'un autre ministère.

L'intention du gouvernement ici est très bien illustrée par le fait que le gouvernement a prévu dans cette mesure législative une possibilité d'appel contre ses propres conclu-

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we go through the bill you will come to the area, Part II of the proposed act, that provides for an appeal procedure. Therefore it is not going to be the inspector who has the final say as to what compensation may or may not be paid; it is not going to be the Department that has the final say. It is going to be a court, if the farmer is displeased with the level of compensation that receives.

The Chairman: Mr. Barrett had a question earlier.

Mr. Barrett: It was not a question Mr. Chairman; it was a comment in relation to the gentleman across the way, Mr. Gleave, indicating all the tender areas of this sort of substance. There was no tender area, of course, if a farmer wanted to receive 90 per cent of his problem. This was perfectly welcome. He is welcome on the premises. Of course this is a different outlook and I grant you that Mr. Peters has a different philosophy, but I can suggest that there is a need for speed in certain areas. I think that any deterrent factor is not a good factor. This is what they are seeking. I think somewhere along the line, and I do not agree with it.

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Mr. Danforth: Mr. Chairman, my question is supplementary to the line of questioning Mr. Peters was following. May I question either Mr. Williams or Mr. Phillips, or Mr. Newman. Under clause 7(1), is this the same terminology as used to permit inspectors to enter any premises under Food and Drug or Agriculture? For example, does this terminology allow inspectors to go into supermarkets to follow an investigation? Are supermarkets then obliged to co-operate to the same degree, or could it be that inspectors under this bill can enter the premises of the Department of Agriculture where experimental plots may have been conducted using these specific chemicals? Is the Department of Agriculture, and are supermarkets and super-chains subject to the same terms and conditions as set out here in respect to farm premises?

Mr. Williams: Yes. This bill does not limit the type of premises which an inspector may enter. I am not saying that the general provisions are identical, word for word, with the provisions in the older statutes. I think the major change, if it can be considered a major change, has been the addition of the words "any reasonable time". In Previous Acts inspectors were not even required to go in at a reasonable time, and I do not think they previously required that he had to reasonably

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sions. Vous verrez plus loin, dans la loi, à la Partie 2 qu'il y a une procédure d'appel. C'est pourquoi l'inspecteur n'a pas le dernier mot en ce qui concerne les compensations à payer ou à ne pas payer, ni le ministère. Ce sera un tribunal si l'agriculteur n'est pas satisfait des compensations qui lui sont offertes.

Le président: M. Barrett avait demandé la parole.

M. Barrett: Ce n'est pas une question, monsieur le président, mais un commentaire. M. Gleave a parlé des domaines délicats. Il n'y a évidemment pas de domaines délicats si l'agriculteur reçoit une compensation de 90 p. 100. A ce moment-là l'inspecteur sera bien accueilli. J'admets que la situation est différente et que M. Peters a une philosophie assez différente à ce sujet. Je pense qu'il faut que ce processus soit très rapide. A mon avis les facteurs préventifs ne sont pas acceptables. C'est ce qu'ils essaient d'introduire et je ne suis pas d'accord.

M. Danforth: Une question pour compléter la série de questions de M. Peters. Je m'adresse soit à M. Williams, M. Phillips, ou M. Newman. En l'application de l'article 7, alinéa 1), est-ce que la terminologie est la même qui permet aux inspecteurs de pénétrer dans des locaux en vertu de la Loi des aliments et drogues de l'Agriculture? Est-ce que cette terminologie permet aux inspecteurs de se rendre dans les supermarchés pour poursuivre leur étude? Est-ce que les supermarchés doivent collaborer dans la même mesure ou bien est-ce que les inspecteurs peuvent en vertu de la loi s'introduire au ministère de l'agriculture où des essais ont peut-être été faits sur ces produits chimiques? Est-ce que le ministère de l'Agriculture, les chaînes de supermarchés, les super-marchés sont soumis aux mêmes conditions définies pour les locaux agricoles?

M. Williams: Oui. Le projet de loi ne limite pas le genre d'endroits où peut pénétrer un inspecteur. Je ne dis pas que les dispositions générales sont identiques, mot pour mot, aux lois précédentes. Je pense que le changement le plus important consiste en l'addition de l'expression «à tout moment raisonnable». Dans les lois précédentes, on n'exigeait pas que l'inspecteur se rende dans un délai raisonnable, et je ne pense pas qu'auparavant on exigeait raisonnablement son avis et on créait

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believe there was a problem. Perhaps that is not enough of a concession in the right direction but, as has been pointed out, there always is a problem in respect of these matters to get quick action. I do not believe, with a very few exceptions—and the exceptions lie largely in the area of livestock health—that our inspectors have ever been accused under other Acts—you mentioned the question of entering retail stores and supermarkets, and that authority is provided under the Canada Agricultural Products Standards Act and the authority is essentially the same as this authority—of having abused the powers that they have been granted under these various Acts. At least, I have not heard of it. That does not mean to say that it cannot happen. I am obviously not issuing any guarantees at this moment. It is a matter of administrative procedures and the type of training that these people receive that normally action is not taken until it is at a fairly obligatory stage, and under this bill I would expect it would usually be at the request of the farmer himself.

Mr. Danforth: I just have a further supplementary and then I am finished, Mr. Chairman. May I ask Mr. Williams if under the normal interpretation of this bill, the farmer would have the same privileges as any department of agriculture where this chemical may have been used and may have been certified? In other words, that the inspector would have the same recourse to action in a governmental department as he would in a farming enterprise?

Mr. Williams: I would say so, Mr. Danforth, yes. By way of illustration I might say, for example, that when our research stations wish to bring prohibited material into this country they must go through exactly the same procedures in respect of our various Acts as a farmer would have to go through. If they wish to bring in pesticide material for experimental work or certain types of vegetation that are not normally allowed in this country other than under permit, we require them to go through the same procedures and obtain the same sort of permits as are required by any practicing farmer.

The Chairman: Mr. Douglas.

Mr. Douglas: I was also a little concerned about the question raised by Mr. Peters. It seems to me that we have not had too many cases where such inspection would be required. I would have liked to have seen something referring to a court order to gain access to all this material. It seems a little drastic, when you read this, that an inspector

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ainsi un problème. Ce n'est peut-être pas une concession suffisante dans la bonne direction, mais, comme on l'a fait remarquer, il est toujours difficile d'agir rapidement dans ce domaine. Je ne crois pas, à quelques rares exceptions près et ces exceptions résident essentiellement dans le domaine de la santé du bétail. Je ne crois pas que nos inspecteurs n'aient jamais été accusés en vertu d'autres lois. La Loi sur les normes des produits agricoles et des produits alimentaires prévoit le droit de pénétrer dans les super-marchés ou dans les locaux de ce genre. Je crois que nos gens n'ont jamais été accusés (ou du moins j'en ai jamais entendu parler) ils n'ont jamais été accusés d'avoir abusé de leurs pouvoirs. Cela ne veut pas dire que cela ne peut pas se produire. Je ne veux pas vous donner de garanties. Mais c'est une question de procédure administrative et du genre de formation que reçoivent ces gens. Normalement, ces mesures sont prises seulement en cas d'obligation réelle, et j'espère qu'en vertu de cette loi, une telle action ne se fera que sur requête de l'agriculteur lui-même.

M. Danforth: Question supplémentaire. Je voudrais en finir, monsieur le président. Puis-je demander à M. Williams, si d'après l'interprétation normale de la Loi, l'agriculteur aurait les mêmes prérogatives que tous les ministères de l'Agriculture lorsque ces produits chimiques ont pu être utilisés et acceptés? Autrement dit, l'inspecteur aurait les mêmes recours vis-à-vis d'un service de l'État que vis-à-vis d'un agriculteur?

M. Williams: Je dirais que oui, monsieur Danforth. Par exemple, lorsque l'une de nos stations expérimentales désire importer au Canada des produits interdits, elle doit respecter la même procédure en vertu de nos diverses lois, que devrait respecter un agriculteur. Si elle veut importer des pesticides pour des travaux expérimentaux ou bien un certain type de végétation normalement prohibés au pays, sauf sous permis, nous lui demandons de suivre la même procédure et d'obtenir le même genre de permis que celui qu'on exige des agriculteurs en opération.

Le président: Monsieur Douglas.

M. Douglas: Je m'intéresse aussi à la question de M. Peters. Il me semble que nous n'avons pas eu beaucoup de cas où des inspections de ce genre seraient exigées. J'aurais aimé que l'on se réfère à des décisions judiciaires donnant un droit de perquisition à ces gens? Il semble vraiment un peu fort, à lire ces lignes, qu'un agriculteur voie un jour arri-

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could appear some day and say he has all this authority and the farmer is subject to it, without knowing what the statute says, and so on. Perhaps it would foul up other situations if you put a provision in this bill requiring a court order for this inspection, but it would seem to be a reasonable request as far as this bill is concerned.

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Mr. Williams: I should point out, Mr. Chairman, that in so far as this bill is concerned it presumably would not come into play unless the farmer asked for compensation. While I admit this gives the inspector authority to enter on to his neighbours property or, presumably, into a retail outlet that might have been selling this pesticide or into a manufacturer who was manufacturing this particular pesticide, presumably it is not going to happen unless the case has been brought to the government's attention through the Food and Drug Directorate and the farmer has requested it or the government itself has undertaken action to provide compensation.

Mr. Gleave: I have a supplementary question, Mr. Chairman, relating to the circumstances of the case in British Columbia. This was not at the request of the farmer, was it? This was as a result of the Food and Drug Directorate discovering certain contamination and the government moved from there. In this particular instance did the farmer request the government to move in?

Mr. Williams: In so far as the case in British Columbia is concerned, as I pointed out earlier, the placing of the agricultural product under detention was not carried out under this proposed Act. In that case it was carried out under the Food and Drugs Act of the Department of National Health and Welfare and presumably it would be carried out in cases that would come under this particular legislative provision. However, subsequent to that the farmers in British Columbia asked the government for assistance, and at that time the government sent people in there to take samples and to do various things at the invitation of the farmer. At that time there was no legal authority to go in other than at the invitation of the farmer.

The Chairman: I have Mr. Pringle, Mr. Howard and Mr. Clermont, on my list.

Mr. Pringle: Mr. Chairman, I believe this point has been covered but I think it should be reemphasized at this time. In the course of consumer protection we have inspection staffs

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ver un inspecteur lui disant qu'il a toute autorité pour agir et que l'agriculteur doive s'y soumettre sans avoir connaissance des articles de la Loi. S'il y a une disposition dans la Loi concernant un mandat judiciaire nécessaire pour procéder à une perquisition, cela risquerait de fausser les autres situations, mais il me semble que c'est une demande tout à fait raisonnable vis-à-vis de la présente loi.

M. Williams: En ce qui concerne cette Loi, monsieur le président, cela ne jouerait que si l'agriculteur réclame une indemnité. Cependant, je reconnais que cela donne à l'inspecteur l'autorisation de pénétrer chez son voisin ou chez un détaillant qui a présumément vendu ce pesticide ou chez le fabricant de ce pesticide particulier. Cela ne se produira très probablement pas à moins que ce cas n'ait été porté à l'attention du gouvernement par l'intermédiaire du Directeur des aliments et des drogues ou que l'agriculteur ou le gouvernement n'aient entrepris eux-mêmes une action en dommage.

M. Gleave: J'ai une question supplémentaire en ce qui concerne les circonstances de ce cas de la Colombie-Britannique. Était-ce à la demande de l'agriculteur, ou était-ce à la demande du Directeur des aliments et des drogues qui avait constaté une certaine contamination que le gouvernement a agi? L'agriculteur a-t-il demandé au gouvernement d'agir dans ce cas-là?

M. Williams: En ce qui concerne l'affaire de Colombie-Britannique, comme je l'ai dit plus tôt, la séquestration du produit agricole n'a pas été effectuée en vertu de ce projet de loi. Elle a été faite en vertu de la Loi sur les aliments et les drogues du ministère de la Santé et du Bien-être social. Cela se ferait dans le cas d'affaires tombant sous le coup de cette dernière loi. Mais ultérieurement, les agriculteurs de la Colombie-Britannique ont demandé l'aide du gouvernement et à ce moment-là, à la demande des agriculteurs le gouvernement a envoyé des inspecteurs pour prendre des échantillons et pour prendre diverses mesures. A l'époque, il n'y avait pas de dispositions qui permettaient à l'État d'agir, sauf sur l'invitation de l'agriculteur.

Le président: J'ai sur ma liste, M. Pringle, M. Howard et M. Clermont.

M. Pringle: Monsieur le président, je pense que l'on a déjà abordé ce point, mais je pense que je me dois d'y revenir. Nous avons du personnel d'inspection pour la protection des

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and many inspectors are required to make continuous inspections of meats and various products at the chain store level to be certain that the food is wholesome, that it is of the proper grade and that it is being properly presented to the consumer for purchase.

The suggestion has been made that when an inspector enters any premises he should do so by authority of a court order. I believe that by doing this we would encumber the staff of the Department of Agriculture and the various other departments in such a way that it would almost make this impossible. The expense alone would be very high and I really think it would have a deterring effect on the value of the entire inspection service. I think this Act should stand as it is, because here again we would be endeavouring through one Act to establish a precedent which possibly the people involved could refer to in trying to circumvent the work and the necessary inspection that is taking place every day throughout the country with regard to the protection to the consumer, and I think we should definitely allow the Act to stand as it is at the present time.

The Chairman: Mr. Howard.

Mr. Howard (Okanagan Boundary): Mr. Chairman, aside from the Civil rights problem, there is a practical problem involved here which it seems to me could be corrected. That is, that the bill empowers an inspector to go into any business or farm and seize records. There is no limit stated as to how long they may hold the records. It seems to me that it would be a practical consideration if provision were made, when an inspector seizes records, if copies of those records as required were made and the originals returned to the person concerned. We are not talking about a criminal case.

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We are talking about an inspector having the right to go into any business anywhere in the chain of distribution and seize a chunk of a man's business records, and it can be a difficult hazard for somebody trying to carry on business to suddenly find that one department of government has removed some of his records. He cannot fulfil his obligations to the tax department or the other business obligations that he has. I have seen instances of this kind of action—not by the Department of Agriculture but by other departments—which causes considerable difficulty for the people concerned.

Mr. Williams: Mr. Chairman, while I am not prepared to give any legal view on the

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consommateurs et plusieurs inspecteurs doivent faire des inspections continuelles des viandes et d'autres produits au niveau des chaînes de magasins afin de s'assurer que les aliments sont sains, conformes aux normes et présentés de façon normale aux consommateurs.

On a suggéré que lorsqu'un inspecteur perquisitionne, il doit le faire en vertu d'un mandat judiciaire. Je crois qu'en pratiquant ainsi, nous surchargeons les employés du ministère de l'Agriculture et des divers autres ministères d'une façon qui rendrait l'application de la Loi presque impossible. Les dépenses seules seraient très élevées, et je pense que cela aurait un effet très néfaste sur le rendement de l'ensemble du service d'inspection. Je pense qu'on ne devrait rien changer à ce projet de loi car, une fois de plus, nous établirions un précédent qui serait tel, qu'il permettrait à certaines personnes de circonvier et d'éviter le travail d'inspection qui est conduit tous les jours à travers le Canada afin de protéger le consommateur. Je pense donc, personnellement, que nous devrions laisser ce projet de loi sous sa forme actuelle.

Le président: Monsieur Howard.

M. Howard (Okanagan-Boundary): Monsieur le président, à part le problème des droits civiques, un problème particulier surgit qui, selon moi, pourrait être corrigé. Le projet de loi permet aux inspecteurs de se rendre dans les fermes ou dans les magasins et de saisir des documents. Aucune limite concernant le temps pendant lequel ils peuvent garder ces documents n'est établie. Du point de vue pratique, on pourrait prévoir qu'un inspecteur fasse copier les dossiers et les documents et renvoie les originaux à l'intéressé. Ce n'est pas un cas criminel dont il s'agit.

Il s'agit d'un inspecteur qui a le droit de perquisitionner dans n'importe quel commerce, à n'importe quel point d'une chaîne de distribution et saisir certaines parties des dossiers d'un commerçant et cela est très ennuyeux pour un commerçant de voir qu'un ministre lui a confisqué une partie de ses livres. Il ne peut pas remplir ses obligations vis-à-vis des autorités fiscales ou ses autres obligations commerciales. J'ai vu ce genre de mesures prises par d'autres ministères que le ministère de l'Agriculture et elles soulèvent de grosses difficultés pour les intéressés.

M. Williams: Bien que je ne sois pas prêt à donner un avis juridique à ce sujet, M. New-

[Texte]

matter—perhaps Mr. Newman will do so—it was the intent of Clause 7 (1) (b) that while the farmer or the institution concerned would be required to produce the documents, all he could take away from the premises would be copies or extracts from them. At least that was the intent of it.

Mr. Newman: Where that intent is carried out by the words of the legislation.

Mr. Williams: With the understanding that this does not give them authority to carry away original documents.

Mr. Howard (Okanagan-Boundary): No, only copies.

The Chairman: Does that answer your question, Mr. Howard?

Mr. Howard (Okanagan-Boundary): Yes, Mr. Chairman.

The Chairman: Mr. Clermont?

M. Clermont: Monsieur le président, à l'article 7, paragraphe 2, il est question de «certificat de nomination». De quel genre de certificat parle-t-on, monsieur Williams? Est-ce que, sur le certificat, il y aura la photo de l'inspecteur et sa signature pour permettre à la personne qui reçoit sa visite de l'identifier?

Mr. Williams: That is correct, Mr. Clermont. The type of certificate is an identification certificate signed and issued by the Department—a permanent type of card with the man's photograph or various other identification on it.

Mr. Clermont: This would be more or less an identification paper.

Mr. Williams: An identification paper to ensure that he is in fact an inspector under this act.

Mr. Clermont: Thank you.

The Chairman: Mr. Roy.

M. Roy (Laval): Monsieur le président, on a beaucoup parlé de protection au niveau du cultivateur, mais je pense que la question concernant le consommateur, soulevée par M. Pringle est certainement importante. Je ne voudrais pas m'éloigner du sujet. Lors de la dernière réunion, j'avais soulevé le fait que nous avions eu une contamination due à des sources de nitrate sur des feuilles d'épinard. Monsieur le sous-ministre nous avait dit que ces produits n'étaient pas canadiens, mais plutôt des produits importés des États-Unis.

[Interprétation]

man le fera peut-être, l'objet de l'article 7(1)b) est le suivant: c'est que le cultivateur ou l'institution en cause devraient fournir tous les documents, mais tout ce qu'il pourrait saisir effectivement serait des copies ou des extraits de ces documents. C'était du moins le but de l'article.

M. Newman: En autant que la loi le précise.

M. Williams: Et en autant que ceci ne leur permet pas de s'emparer des originaux.

M. Howard: Non, uniquement des copies.

Le président: Ça répond à votre question?

M. Howard: Oui.

Le président: Monsieur Clermont.

Mr. Clermont: Mr. Chairman, under Clause 7 (2), we speak of "an appointment certificate". What kind of a certificate would this be, Mr. Williams? Would there be a photograph of the inspector on the certificate along with his signature to allow the person who is being visited to be able to identify the inspector?

M. Williams: C'est exact, monsieur Clermont. C'est un certificat d'identité signé et émis par le ministère, une carte permanente sur laquelle se trouvent sa photo et d'autres renseignements.

M. Clermont: Ni plus ni moins, une carte d'identité.

M. Williams: Oui, un document qui confirme qu'il est vraiment l'inspecteur désigné.

M. Clermont: Merci.

Le président: Monsieur Roy.

Mr. Roy (Laval): Mr. Chairman, we have spoken a great deal of protection at the level of the farmer, but I think that Mr. Pringle's question dealing with the consumer is certainly important. But I do not want to stray from the subject. At the last meeting I had raised the matter that we had had some contamination on spinach leaves due to nitrate products. The Deputy Minister had told us that these were not Canadian products, but that they were imported from the United States.

[Text]

A l'entrepôt des fruits et des légumes de Montréal, par exemple, est-ce que l'inspecteur est autorisé à prélever des échantillons sur les laitues qui ont été arrosées deux ou trois jours avant? Est-ce que l'inspecteur a réellement cette autorisation à l'entrepôt de Montréal? Est-ce qu'il fait des prélèvements de tissus ou d'échantillons de feuilles de laitue ou d'autres produits, comme le céleri, pour justement déterminer les sources de contamination possible due à l'application d'herbicides, d'insecticides ou encore à des taux de fertilisation trop élevés?

Mr. Williams: Mr. Chairman this authority about which Mr. Roy has spoken lies with the Department of National Health and Welfare. They do have such authority, and I, obviously, would not be in a position to comment as to whether or not it is being taken at an effective rate or not, other than to give my personal view that it is, that they do have an effective procedure. In general their procedure is to take bulk samples and then trace them back.

There is one point I would like to correct on which there might be some misunderstanding. When I replied about the question of spinach at the last meeting, I had not intended to imply that this was on goods that had been imported into Canada. I had intended to imply that to the best of my knowledge, the only case known to date referred to canned spinach that had not entered this country; it had been found in the United States. To the best of my knowledge none of this nitrate, excess nitrate in spinach, has been found in Canada on either Canadian produce or imported produce.

M. Roy (Laval): A ce moment-là, certains producteurs d'épinards ont fait des pressions au sujet de ce contenu qui a contribué à diminuer le marché de consommation des épinards. Cela diminuait alors les possibilités des producteurs d'épinards.

• 1045

Si je comprends bien, ces pouvoirs ne relèvent pas de l'inspecteur dont on discute actuellement. Cela relève du ministère de la Santé nationale et du Bien-Être social.

Mr. Williams: That is correct, Mr. Chairman.

The Chairman: Shall clause 7 carry?
Clause 7 agreed to.

The Chairman: Gentlemen, I direct your attention to clause 8:

No person shall obstruct or hinder an inspector in the carrying out of his duties

[Interpretation]

At the fruit and vegetable terminal in Montreal, for instance, does the inspector have the authority to take samples of lettuce that has been watered two or three days previously? Does the inspector actually have this authorization at the Montreal fruit and vegetable terminal? Does he take samplings of lettuce leaves or other green vegetables such as celery, to determine the possible sources of contamination through weed-killers, insecticides, or too high a level of fertilizers?

M. Williams: Cette autorité dont M. Roy a parlé appartient au ministère de la Santé nationale et du Bien-être social. Évidemment, je ne serais pas en mesure de commenter si vraiment on prend ces mesures. Tout ce que je pourrais vous dire, c'est mon opinion personnelle, c'est qu'ils ont vraiment une procédure efficace. Normalement, ils prennent des échantillonnages en vrac.

J'aimerais bien soulever un point qui pourrait peut-être comporter quelques malentendus. Quand j'ai répondu à la question sur les épinards, lors de la dernière réunion, je n'avais pas l'intention de dire qu'il s'agissait de produits importés au Canada. J'avais l'intention de dire qu'au meilleur de ma connaissance, le seul cas avait été signalé aux États-Unis.

Cet excès de nitrate dans les épinards n'a pas été signalé au Canada, ni dans les produits canadiens ni dans les produits importés.

Mr. Roy (Laval): At that time some spinach producers made representations regarding this canned spinach which contributed in reducing the spinach consumption market. It reduced the scope of spinach producers too.

If I understood correctly, these powers do not come under the jurisdiction of the inspector about whom we are speaking at the present time. It comes under the Department of National Health and Welfare.

M. Williams: C'est exact.

Le président: L'article 7 est-il adopté?
L'article 7 est adopté.

Le président: Article 8, maintenant, messieurs.

8. (1) Nul ne doit gêner ou empêcher un inspecteur dans l'exercice des devoirs ou

[Texte]

or functions under this Act or the regulations.

Are there questions? Shall clause 8 carry?

Clause 8 agreed to.

Gentlemen, your attention to clause 9, which deals with Punishment—

Offences and Penalties.

Are there questions? A question, Mr. Danforth?

Mr. Danforth: Mr. Chairman, I would like to deal, if I may, with subclause (2) under clause 9 which deals with the prosecution of an offence. I have two questions. What is meant by an offence committed by an employee or agent? Does that refer to the obstruction of the inspection of misleading information, or withholding information? Or is the offence the actual carrying out of the spraying operation or being directly responsible for a cause of contamination?

Mr. Williams: Mr. Chairman, it refers to the former, not the latter. This act does not create as an offence the presence of a residue, for example, on a product.

Mr. Danforth: The second part of my question, Mr. Chairman, is what is the status of an employer where perhaps an employee has inadvertently created misinformation or has, in fact, caused an obstruction with regard to the duties of an inspector? Is there any recourse or government action towards an employer if this has been done inadvertently, and what is the government's position against the employee, if such a process is carried out when an inspector is about to carry out his duties?

Mr. Williams: Mr. Chairman, I find that question somewhat difficult to answer. The intent of subclause (2) is that the employer, or the accused in this case—this is presuming the action is laid against the employer. It could under this, of course, be laid against an employee in which case, of course, this portion of the act does not apply. But let us say it is laid against the accused who in this case is an employer. This makes it incumbent upon the employer to have taken action that would, shall I say, inhibit the employee from doing whatever the accused is charged with. In other words, he is responsible unless he can establish that the offence was committed without his knowledge, and that he had exer-

[Interprétation]

fonctions que lui confèrent la présente loi ou les règlements.

Y a-t-il des questions à poser? Monsieur est-il adopté? Adopté.

Messieurs, l'article 9, maintenant.

Infractions et peines

Y a-t-il des questions à poser? Monsieur Danforth.

M. Danforth: Monsieur le président, si vous me le permettez, j'aimerais bien parler de l'alinéa 2 de l'article 9, qui traite d'une poursuite lorsqu'il y a infractions. J'aurais deux questions à poser. Tout d'abord, qu'est-ce qu'on veut dire par «infraction prévue par la présente loi de la part d'un employé ou d'un agent». Est-ce que c'est parce qu'il aurait gêné l'enquête, parce qu'il aurait caché certains documents ou certains renseignements, ou donné de faux renseignements? Ou l'infraction provient-elle du fait que le terrain a été vaporisé et que ce geste est à l'origine de la contamination?

M. Williams: Il s'agit du premier cas, c'est-à-dire le fait de gêner l'enquête, de cacher certains renseignements, etc. Il n'y a pas infraction simplement parce qu'un résidu est retracé dans un produit.

M. Danforth: Ma deuxième question, monsieur le président. Qu'advient-il si un employé a, par mégarde, donné de faux renseignements ou gêné l'inspecteur dans l'exercice de ses fonctions? Est-ce que le gouvernement a un recours vis-à-vis de l'employeur, même si la chose a été faite par mégarde, et quelle est l'attitude du gouvernement à l'égard de l'employé, si telle procédure est suivie lorsqu'un inspecteur est en fonction?

M. Williams: Monsieur le président, je trouve très difficile de répondre à cette question. L'alinéa 2, vise l'employeur ou l'accusé, dans le cas qui nous occupe, en autant qu'on intente une poursuite contre l'employeur. Évidemment, on pourrait le faire contre l'employé aussi en vertu de la loi, mais disons que la poursuite est intentée et que l'accusé est l'employeur. Il appartient à l'employeur d'empêcher son employé de poser le geste dont il est accusé. En d'autres termes, il est responsable à moins qu'il puisse prouver que l'infraction a été commise sans sa connaissance personnelle et qu'il avait pris toutes les mesures voulues pour empêcher cette infraction.

[Text]

cised due diligence to prevent the commission of the offence.

Mr. Danforth: My understanding, Mr. Williams, then is that if in the processing of a claim under this act it is brought about that there has been misinformation by an employee which might alter the conditions drastically, that it was without the knowledge of the employer, and can be proved to be without the knowledge of the employer, it does not, in any way, jeopardize the employer with regards to action by the government?

Mr. Williams: I think that is a difficult one because we have an additional clause that says that if the accused established that the offence was committed without his knowledge, that is one thing. But it says or consent and, it says:

that he exercised all due diligence to prevent its commission.

I think this really says that an employer simply cannot take recourse in the fact that he did not know that his employee did such a thing, if it would be reasonable to expect that he should know that his employee might do that, and should have warned his employee not to do it, for example. This, I believe, is the interpretation of:

that he exercised all due diligence to prevent its commission.

• 1050

Mr. Newman: I think you might say that even though he did not have knowledge, he might have condoned certain actions on the part of the employee or even connived in these actions even though he did not have actual knowledge of the acts which led to the creation of the offence.

The Chairman: Are you satisfied Mr. Danforth?

Mr. Danforth: The only conclusion I can draw, Mr. Chairman, from this is that where such a happening has taken place it seems to me that once again the interpretation is directed entirely in favour of the government agencies in this instance. I am just at a loss to have defined the status of, for example, a farmer who has instituted a claim for compensation under this Act and then finds in the middle of the proceedings that perhaps some misinformation has been obtained without his knowledge or permission; what his status will be with regard to the government agencies; whether he will be liable for punishment under this Act or to what degree it will affect

[Interpretation]

M. Danforth: Donc, monsieur Williams, si lors de l'étude d'une réclamation faite en vertu de ce bill, on se rend compte qu'un employé a soumis des renseignements qui pourraient changer la situation et ceci, sans la connaissance de l'employeur, et qu'on puisse prouver que c'est sans la connaissance de l'employeur, cela ne met nullement l'employeur en danger.

M. Williams: La situation se complique parce qu'une autre disposition prévoit que si l'accusé peut prouver que l'infraction a été commise sans sa connaissance, c'est différent. L'article dit également «ou son consentement» et ajoute que la personne

s'est dûment appliquée à prévenir sa commission.

Tout ce que cela veut dire, c'est que l'employeur ne peut tout simplement pas prétendre qu'il ne savait pas que son employé avait posé tel geste. Il serait raisonnable de s'attendre qu'il sache que l'employé pouvait s'approprier à poser ce geste et qu'il lui dise de s'en abstenir. Je crois que c'est là l'interprétation qu'il faut donner quand on dit que cette personne

s'est dûment appliquée à prévenir sa commission.

M. Newman: Vous pourriez dire que même s'il n'en savait rien, il aurait pu excuser certains gestes de l'employé, même s'il ne savait pas ce que faisait l'employé, ce qui constituait l'infraction, qu'il ait tout fait.

Le président: Êtes-vous satisfait de la réponse, monsieur Danforth?

M. Danforth: La seule conclusion que je puisse en tirer, monsieur le président, c'est que là où une telle chose s'est produite, il me semble qu'une fois encore l'interprétation est entièrement en faveur des organismes du gouvernement. Je me demande comment on définit, par exemple, la situation d'un cultivateur qui a fait une demande d'indemnisation en vertu de cette loi et qui, au cours de l'information, découvre que l'on a peut-être obtenu des renseignements faux sans sa connaissance ou sans sa permission. Quelle sera alors sa situation vis-à-vis des autorités gouvernementales? Sera-t-il passible d'une punition, en vertu de la présente Loi? Jusqu'à

[Texte]

the claim for compensation that he has proceed with.

Mr. Williams: Mr. Chairman, I might say that in so far as this portion of the bill is concerned, which deals with offences and penalties, it will of course not be administered by the Department but will be administered by the courts. Presumably the Department, if they were in a position to feel that an offence had been committed would, through the Department of Justice, lay a charge against the offending person and it would be up to the courts then to decide whether or not the accused had exercised due diligence in, shall I say, warning his employee not to commit these offences or whether he had not exercised due diligence and whether or not the offence was committed with or without the accused's knowledge. But it would not be the Department that would judge this matter.

Mr. Danforth: I see.

The Chairman: Mr. Clermont.

Mr. Clermont: Monsieur le président, au paragraphe 2, article 9, version française, je lis:

ou un mandataire de l'accusé, que cet employé ou mandataire soit ou non identifié ou qu'il ait été poursuivi ou non pour cette infraction,

Je lis la version anglaise:

by an employee or agent of the accused whether or not the employee or agent is identified or has been prosecuted for the offence

La version anglaise semble quelque peu différente de la version française «qu'il ait été poursuivi ou non». En français on dit: «qu'il ait été poursuivi ou non», en anglais on ne semble pas dire la même chose, seulement «s'il a été poursuivi».

The Chairman: There appears to be some conflict in the translation. Could we take that under review?

Mr. Clermont: Certainly.

The Chairman: Mr. Gleave.

Mr. Gleave: Mr. Chairman, in Clause 9, subclause (1) paragraph (a), as I understand this—of course, not being a legal man—but an indictable offence brings him under the criminal law. I find it a little strange at this point to bring a person under the criminal law in this sort of a situation. You have grey areas here where a judge will have to decide whether, as has been mentioned, an employer

[Interprétation]

quel point cela affectera-t-il la demande d'indemnisation qu'il a faite?

M. Williams: Monsieur le président, pour ce qui est de cette partie du bill—celle qui a trait aux infractions et aux peines—elle ne sera bien sûr pas exécutée par le ministère, mais par les tribunaux. Il est probable que si le ministère croyait qu'il y avait eu infraction, il intenterait, par l'entremise du ministère de la Justice, des poursuites contre la personne coupable, et ce serait alors au tribunal de décider si l'accusé avait ou non vraiment tout fait pour, disons, prévenir son employé de ne pas commettre cette infraction, et si elle avait ou non été commise à sa connaissance. Mais ce ne serait pas au ministère d'en décider.

M. Danforth: Je vois.

Le président: Monsieur Clermont.

Mr. Clermont: Mr. Chairman, subclause (2) of Clause 9 of the French version states the following:

or agent of the accused whether or not the employee or agent is identified or has been prosecuted for the offence

This is the English version:

by an employee or agent of the accused whether or not the employee or agent is identified or has been prosecuted for the offence

The English version seems to be somewhat different from the French version. The French says: "has been prosecuted or not" and the English version does not seem to say the same thing. It simply says: "has been prosecuted".

Le président: Il semble y avoir une contradiction dans la traduction. Pourrions-nous examiner cela plus tard?

M. Clermont: Certainement.

Le président: Monsieur Gleave.

M. Gleave: Monsieur le président, je ne sais pas si j'ai bien compris l'alinéa a) du paragraphe (1) de l'article 9, mais il me semble qu'un acte criminel amène la personne sous le coup du droit pénal. Je trouve plutôt étrange de faire tomber une personne sous le coup du droit pénal dans une situation comme celle-ci. Il y a ici des domaines assez vagues où le juge devra décider, comme on l'a déjà dit, si

[Text]

is or is not responsible. The judge is going to have to make a decision. We are presently in the House removing people from the scope of the criminal law. Under this bill we propose to bring certain individuals under the scope of the criminal law because they have done certain things with chemicals. If this section provided for a person being fined under civil law, as I understand it, then possibly it would be acceptable. But this is pretty touchy.

• 1055

I had a hired man go out one day with a sprayer and it just so happened the wind was in the right direction so he sprayed a neighbour's rapeseed. The neighbour was justifiably incensed, because his rapeseed was spoiled. I just cite this instance to show you what can happen here and I do not think we should invoke the criminal law. I think rather that a person who violates the law should be subject to a fine or something of this nature. If I am wrong I would like someone to correct me. Am I right that this brings the individual under the criminal law?

The Chairman: Mr. Williams?

Mr. Williams: This is correct. It brings the individual under the criminal law but the offence is not the offence of applying the pesticide. The offences are the offences referred to in Clause 8 above. For example, if he took criminal action to restrain and beat up an inspector going in or if there was fraud involved in the application for compensation, things of this nature are the offences that are created under this act. The example that you pointed out in respect of the rapeseed would not be an offence under this act. It would have nothing to do with this act.

Mr. Gleave: But I still do not think he should come under the criminal law. If he beat up an inspector, the criminal law would apply. He has assaulted somebody; therefore, he is subject to the ordinary law that applies to those who beat up other people. If he commits a fraud, surely he is subject to the ordinary applications of the law which apply to anyone who commits a fraud or a criminal act. I still do not think that in this act it should be, because once you put in an act that it is an indictable offence, then the scope can be wider than that.

In the United States a few years ago under the combines law they put a number of executives in jail from one of the electrical companies, if I remember. In the United States apparently this can be done. I can get as incensed against combines as anybody else

[Interpretation]

oui ou non l'employeur est responsable. C'est lui qui va devoir prendre cette décision. A l'heure actuelle, à la Chambre, nous enlevons des catégories de gens de la coupe du droit pénal. Alors que dans ce bill nous nous proposons de faire tomber des gens sous le coup du droit pénal simplement pour avoir causé des dommages avec des produits chimiques. Si l'article prévoyait que la personne ait à payer une amende en vertu du code civil, ce serait peut-être acceptable. Mais ceci est une question plutôt délicate.

Un jour, j'ai envoyé un employé vaporiser des plantes, et il s'est trouvé que, le vent soufflant dans cette direction, cela a arrosé le champ de colza du voisin, qui était à juste titre enragé, car cela avait gâté son colza. Je vous cite tout simplement cet exemple pour vous indiquer ce qui pourrait se produire. Et je ne pense pas que nous devions faire passer cela sous le coup du droit pénal. Il faudrait plutôt imposer à la personne coupable une amende ou quelque chose de ce genre. Si j'ai tort, que quelqu'un me corrige. Ai-je raison de croire que cela met la personne sous le coup du droit pénal?

Le président: Monsieur Williams.

M. Williams: Oui, c'est exact. Cela met la personne sous le coup du droit pénal, mais l'infraction, ce n'est pas d'appliquer des produits antiparasites. Les infractions sont celles que l'on mentionne à l'article 8. Par exemple, s'il avait commis un acte criminel en s'attaquant à l'inspecteur pour l'empêcher de pénétrer sur les lieux ou s'il y avait eu fraude dans la demande d'indemnisation, il s'agirait d'infractions auxquelles s'appliquerait la présente loi. L'exemple que vous avez cité au sujet du champ de colza ne constituerait pas une infraction aux termes de cette loi.

M. Gleave: Je ne crois tout de même pas qu'il doive relever du droit pénal. S'il avait battu un inspecteur, le Code criminel s'appliquerait. Il aurait attaqué quelqu'un, et il serait donc soumis à la loi ordinaire applicable dans ces cas-là. S'il s'agissait de fraude, il serait soumis aux dispositions normales de la loi à l'égard de toute personne qui commet une infraction criminelle. Je ne crois malgré tout pas que cela doive être dans la présente loi, car une fois que vous précisez dans une loi qu'il s'agit d'un acte criminel, la portée peut en être plus vaste.

Aux États-Unis, il y a quelques années, en vertu de la loi sur les coalitions, on a emprisonné plusieurs dirigeants d'une compagnie d'électricité, si je me souviens bien. Il semble qu'aux États-Unis la chose soit possible. Je peux être aussi enragé que quiconque contre

[Texte]

but I do not think an individual should be subject to the criminal law other than when he commits a crime, and the ordinary courts can decide that. I think the penalties in here should say that he can be taken under the civil law. If someone has a better answer, I am willing to hear it, but I am not prepared to go along with this.

The Chairman: Mr. Newman will make a comment.

Mr. Newman: Mr. Chairman, first of all we should point out that it is no less criminal if you proceed by way of summary conviction than if you proceed by way of an indictment. Any legislation creating offences brings a person under the "Criminal Law". Neither offence would be an offence under the Criminal Code. It would still be an offence under the particular legislation. Of course, when you proceed by way of summary conviction or by indictment certain procedural aspects of the Criminal Code come into play.

The only difference between an indictable offence and an offence punishable on summary conviction is the procedure that is followed in trying the offence. For example, if you proceed by way of summary conviction it is generally considered to be less serious and a magistrate or provincial judge would have absolute jurisdiction to hear the case. If you proceed by way of indictment there is a much more complex procedure involved. For example, instead of having the case heard by a provincial court judge or magistrate, the accused would have an election. He could elect to have his case heard by a magistrate or provincial court judge, a county court judge or even request trial by judge and jury. Also if you proceed by way of indictment I believe that the provisions of the Identification of Criminals Act would come into effect and that the police would have the right to have the accused photographed and fingerprinted because he was charged with an indictable offence.

• 1100

However, the normal way of proceeding with prosecutions for violations of federal statutes other than the Criminal Code is to proceed by way of summary conviction. Only if there are repeated offences, a number of repeated offences, or if, in the opinion of the law officers of the Crown, the offence is extremely serious will the Crown or the government proceed by way of indictment. But I should like to emphasize that making it punishable on indictment or by way of sum-

[Interprétation]

les coalitions, mais je ne pense pas que des personnes doivent être passibles des dispositions du code criminel à moins d'avoir commis un crime et c'est alors aux tribunaux ordinaires à en décider. Je crois que les peines prévues ici devraient être celles qui relèvent du droit civil. Si quelqu'un a une meilleure solution, je suis prêt à l'écouter, mais je ne suis pas d'accord avec ces dispositions.

Le président: M. Newman a une observation à faire.

M. Newman: Tout d'abord, monsieur le président, je crois que nous devrions peut-être souligner que l'acte n'est pas moins criminel si l'on procède à une condamnation sommaire que si l'on procède à une accusation. Toute loi qui établit des cas d'infraction fait tomber la personne sous le coup du droit « criminel ». Aucune de ces infractions ne relèverait du Code criminel, mais elles resteraient des infractions au terme de cette loi. Évidemment, quand on procède à une condamnation sommaire ou à une accusation, certains aspects de la procédure du Code criminel entrent en jeu.

La seule différence entre un acte criminel et un acte punissable par condamnation sommaire est la procédure que l'on suit dans la poursuite de la cause. Par exemple, si l'on procède à une condamnation sommaire, on considère normalement que c'est moins sérieux, et un juge d'instruction ou un juge provincial du tribunal provincial a toute compétence pour entendre la cause. Si l'on procède à une accusation, la procédure est beaucoup plus complexe. Par exemple, au lieu de passer devant un juge de tribunal provincial ou devant un juge d'instruction, l'accusé pourrait choisir soit de voir sa cause entendue devant un tribunal de simple police, devant un tribunal provincial ou devant une cour de comté, soit de demander juge et jury. En outre, si l'on procédait à une accusation, je crois que les dispositions de la Loi sur l'identification des criminels entreraient en jeu, et que la police aurait le droit de photographier le prévenu et de prendre ses empreintes digitales, puisqu'il serait accusé d'un acte criminel.

Toutefois, la façon normale de procéder dans le cas de poursuites pour violation de statuts fédéraux autres que le Code criminel est de porter une condamnation sommaire. Si, de l'avis des conseillers juridiques de la Couronne, le délit est extrêmement grave, la Couronne pourra alors procéder par voie d'accusation.

Mais, j'aimerais souligner que si l'on adopte la méthode d'accusation ou par procédure sommaire, cela ne change nullement la qua-

[Text]

mary conviction in no way changes the quality of the offence. It is no less criminal if it is an offence by way of summary conviction than by indictment, and there is no such thing really as a civil offence providing for fine or imprisonment.

Mr. Gleave: Well, Mr. Chairman, to follow it up, why not leave it that it is an offence punishable on summary conviction? In (a) a person could be imprisoned up to two years for a violation of this proposed Act; that is what it says and I suppose it means what it says.

Mr. Newman has pointed out that there are two alternatives open to the government for prosecution. In my opinion (b) is sufficient. I take the point of view that (b) is sufficient for now, that (a) should be taken out, and if two or three years from now the Department of Agriculture can come to this Committee, or come to Parliament and say: "Under (b) we cannot control the circumstances which we are facing" then they can ask for (a). However, as one member of this Committee, I am not just ready to go along with putting a clause in here that we are going to make people criminals—they will probably make themselves criminals—but tag them as criminals and put them in jail for two years under these circumstances.

Just to complete this, Mr. Chairman, I doubt very much if we are dealing with the circumstances where people want to evade the law and want to abuse the law. I think we are dealing with a circumstance where people find themselves in a position in which they did not expect to find themselves. And this probably applies to the manufacturer and the distributor just as much as it applies to the farmer. We are in a no man's land with these chemicals. Anyone who has used them knows it.

The Chairman: Mr. Gleave you would probably agree that this particular part of Clause 9 does not really refer to the circumstances under which a farmer may find himself, but rather applies to Clause 8, Section (2) where he deliberately tries to defraud. This is the part to which it really refers.

Mr. Newman: Yes.

The Chairman: It has nothing to do, in my opinion, with the fact that a farmer finds himself in the position of having his product barred from the market because of a residue. It deals only with the fact that he has attempted to defraud and misrepresent.

[Interpretation]

lité du délit. Ce n'en est pas moins un acte criminel, que l'on procède par voie de procédure sommaire ou par voie d'accusation. Il n'y a pas de délit civil prévu en l'occurrence, pour lequel serait prévue l'amende ou la prison.

M. Gleave: Monsieur le président, dans ce cas, pourquoi ne pas laisser la disposition telle quelle, soit un délit punissable sur déclaration sommaire de culpabilité. D'après la disposition (A) un accusé pourrait être condamné à une peine allant jusqu'à deux ans de prison pour la violation de cette future Loi.

M. Newman a signalé qu'il y a deux solutions possibles, deux méthodes que peut adopter le gouvernement concernant les poursuites judiciaires. A mon avis, la deuxième formule suffit. Il me semble que la disposition (B) suffit pour le moment, que le sous-alinéa (A) devrait être éliminé. Et, si dans deux ou trois ans, le ministère de l'Agriculture s'adresse au Comité ou au Parlement, et déclare qu'en vertu de l'alinéa (B) il ne peut pas contrôler les événements, il pourra alors nous demander de restaurer l'alinéa (A). A titre de membre de ce comité, je ne suis pas prêt à adopter une disposition qui aura pour but de faire de ces gens des criminels et de les rendre passibles d'emprisonnement pendant deux ans en vertu de ces circonstances.

Je doute fort, monsieur le président, qu'il s'agisse ici de circonstances telles que les gens désirent contourner ou mépriser la loi. Mais, je crois que ces gens se trouveront dans une situation dans laquelle ils ne comptaient pas se trouver. Cela s'applique aux fabricants et aux distributeurs, tout autant qu'aux cultivateurs. Il s'agit ici d'une zone grise en ce qui concerne les produits chimiques; tous ceux qui les ont utilisés le savent.

Le président: Vous reconnaissez, monsieur Gleave, sans aucun doute, que cette disposition de l'article 9 n'a pas trait aux circonstances ou à la situation dans laquelle un cultivateur pourrait se trouver. Cela se rattache plutôt au paragraphe 2 de l'article 8, où il y a eu acte frauduleux. Voilà la véritable partie à laquelle cet article se réfère.

M. Newman: Oui.

Le président: A mon avis, cela n'a rien à voir avec le fait que l'agriculteur voit ses produits bannis du marché à cause de résidus. Il s'agit simplement du fait qu'il est coupable de fraude et de fausses représentations.

[Texte]

Mr. Gleave: As far as I am concerned at this point in time, under the circumstances we are facing in the use and distribution of chemicals, I am not ready to see anyone faced with a two-year jail sentence. Some judge is going to decide whether he has attempted to defraud somebody under this proposed Act.

The Chairman: Gentlemen, I have Mr. Douglas and Mr. Peters who wish to ask questions on Clause 9. In view of the fact that there has been some conflict with regard to the translation of Section (2), Clause 9, I am wondering whether the Committee might agree to stand Clause 9 until we have the clarification, and then we might proceed with further questioning and either approve or disapprove the Clause. Would that meet with the concurrence of the Committee?

• 1105

Mr. Danforth: Mr. Chairman, I would say Mr. Gleave is quite correct in his point of view, because in spite of the explanation given by Mr. Newman it does state a person who violates any provision of the Act; it is not confined to Clause 8. It states "any provision of this Act".

The Chairman: Have you got a comment?

Mr. Newman: Yes, Mr. Chairman. Perhaps the hon. Member could point out provisions that could be violated which would lead to a charge being laid, other than the ones dealing with obstruction of inspectors or what is essentially fraud.

Mr. Danforth: Mr. Chairman, each Clause following Clause (2) deals with the claims and the procedures which may or may not be followed, and a violation on the part of the parties involved of any of the terms as prescribed under Clause 9 could lead to a punishable offence, because this is what it states: a violation of any provision of the Act.

Mr. Newman: I could just briefly say, Mr. Chairman, that there would have to be a deliberate illegal act on the part of an accused before charge would be laid, or could be laid. I still would like to have a specific example, because quite frankly how a person could be charged for using pesticide wrongfully eludes me. The Act does not provide for such a course of action being taken.

[Interprétation]

M. Gleave: A ce moment-ci et dans les circonstances qui se posent, lorsque l'on traite de l'usage et de la distribution des produits chimiques, je ne suis pas du tout prêt à voir qui que ce soit passible de deux années de prison, parce que seul un juge peut décider, si quelqu'un est coupable ou non, si quelqu'un a essayé de commettre une fraude au terme de la loi.

Le président: J'ai ici M. Douglas et M. Peters sur ma liste qui désirent poser des questions sur l'article 9. Comme il y a eu certaines difficultés de traduction du paragraphe 2 de l'article 9, le Comité voudra peut-être consentir à remettre à plus tard l'étude de l'article 9.

Nous pourrions peut-être passer à d'autres questions. Est-ce que cela vous convient?

M. Danforth: Monsieur le président, si l'on me permet d'ajouter que, d'après vos explications, je crois que le point de vue de M. Gleave est exact, en dépit des explications que vient de nous donner M. Newman. Néanmoins, il semble que pour quelqu'un qui enfreint n'importe quelle disposition de la loi, on ne se confine pas à l'article 8; on dit: n'importe quelle disposition de la loi.

Le président: Avez-vous un commentaire à faire là-dessus?

M. Newman: Monsieur le président, j'aimerais que les députés nous signalent d'autres dispositions qui pourraient être enfreintes et qui pourraient donner lieu à une accusation autre que celle qui a trait à l'obstruction du travail des fonctionnaires: la fraude.

M. Danforth: Monsieur le président, chaque article, par suite de l'article 2, parle des procédures qui peuvent être suivies ou non. Et, une infraction commise par les partis en cause, au terme de l'article 9, pourrait donner lieu, pourrait constituer un délit punissable, car on dit bien: Une infraction à n'importe quelle disposition de la loi.

M. Newman: Je voudrais brièvement ajouter, monsieur le président, qu'il faudrait qu'il y ait un acte illégal et délibéré de la part du prévenu avant que des accusations puissent être portées. J'aimerais encore avoir un exemple précis de ce que vous dites car, franchement, je ne vois pas comment une personne pourrait être accusée d'avoir mal utilisé des pesticides. La Loi ne prévoit pas une action dans de tels cas.

[Text]

Mr. Danforth: Mr. Chairman may I follow the courses suggested by the Chairman in order that I might have time to prepare my case in depth for the legal advisor?

Mr. Peters: It sounds good anyway.

The Chairman: I will direct your attention to Clause 10.

A complaint or information in respect of an offence under this Act may be heard, tried or determined by a magistrate or a justice if the accused is resident or carrying on business within his territorial jurisdiction, although the matter of the complaint or information did not arise in that territorial jurisdiction.

Are there any questions on Clause 10?

Mr. Peters: Is the implication there that where the goods are delivered to a market beyond the territory of the offence, the hearing would then be in the area where the offence took place rather than in the area where the goods were delivered or where the seizures were made?

The Chairman: Mr. Newman will comment.

Mr. Newman: Mr. Chairman the normal rule is that a magistrate has territorial jurisdiction to hear charges arising out of offences which took place in his territory. For example, a provincial magistrate in Saskatchewan would have jurisdiction to hear complaints arising out of offences which happen in Saskatchewan, but under this proposed Act, for example, an inspector could have been obstructed in Alberta, but the person charged with the offence might reside in Saskatchewan. Normally the magistrate would not have jurisdiction to hear this case, but because of this particular provision in the statute he could proceed with the case.

• 1110

The Chairman: Any further questions? Shall Clause 10 carry?

Mr. Peters: How would this apply to imported contaminated goods? Would it cover that?

The Chairman: There would be no compensation anyway.

Mr. Newman: It is not a question of the goods. It is a question of acts.

[Interpretation]

M. Danforth: Monsieur le président, puis-je alors suivre la formule qui est suggérée par le président? J'aurai peut-être le temps de présenter mon plaidoyer si nous différons l'article 9, si cela vous convient.

M. Peters: Il me semble que cela soit acceptable.

Le président: Ainsi, nous passons à l'article 10:

Une plainte ou dénonciation relative à une infraction prévue par la présente loi peut être entendue, instruite ou jugée par un magistrat ou un juge de paix, si l'accusé réside ou fait des affaires dans le territoire sous la juridiction dudit magistrat ou juge, même si le fait qui a donné lieu à la plainte ou dénonciation ne s'est pas produit dans ce territoire.

Y a-t-il des questions?

M. Peters: Quelle est vraiment la signification de cet article, lorsque les marchandises sont livrées sur un marché qui se trouve en dehors du territoire où le délit a été commis, l'enquête ou le procès aurait-il alors lieu là où le délit a été commis, plutôt qu'à l'endroit où les marchandises ont été livrées ou saisies?

Le président: M. Newman commentera.

M. Newman: Monsieur le président, la procédure normale établit qu'un magistrat possède une juridiction territoriale aux fins d'instruire des causes résultant de délits qui ont eu lieu dans son district. Ainsi, par exemple, un magistrat provincial, en Saskatchewan, aurait juridiction, pour entendre des plaintes résultant de délits qui ont été commis ou qui ont eu lieu en Saskatchewan aux termes de cette Loi.

Par exemple, si un inspecteur aurait été empêché de perquisitionner sur les lieux, en Alberta, mais que la personne accusée habite la Saskatchewan, le magistrat n'aurait normalement pas le droit de procéder, mais grâce à cette disposition particulière, il pourra instruire et entendre la cause.

Le président: Y a-t-il d'autres questions? L'article 10 peut-il être adopté?

M. Peters: Comment cet article pourrait-il s'appliquer aux matières contaminées importées? Est-ce que la loi prévoit ce cas?

Le président: Il n'y aurait pas d'indemnisations de toute façon.

M. Newman: Ce n'est plus une question de matières, c'est une question de lois.

[Texte]

The Chairman: Shall Clause 10 carry?

Some hon. Members: Carried.

Clause 10 carried.

The Chairman: Gentlemen we will proceed with Part II, Compensation and Appeals, Clause 11, and I direct your attention thereto. Are there questions?

Mr. McKinley: How long do they have to appeal?

Mr. Williams: I think it is covered in Clause 12(2).

The Chairman: Shall Clause 11 carry?

Clause 11 agreed to.

The Chairman: Gentlemen, I draw your attention to Clause 12. I understand that the question asked by Mr. McKinley is answered in Clause 12.

Mr. Williams: Three months, or such longer period as the Assessor may allow.

The Chairman: Are there questions on Clause 12?

Mr. Danforth: On Clause 12(1) we are back to the basis where there is the maximum compensation. Once again we have it left entirely to the Department in this case where it says, "maximum compensation prescribed under this Act". We have the government action where minimum bases are established whereby no compensation may be claimed under such minimum standards as prescribed, and now we have maximum compensation prescribed under this Act. In looking at this bill, we, as members of this Committee, have no idea what this maximum will be. It is suggested if my memory serves me correctly, that perhaps 80 per cent could be set as a figure for this. I have two questions.

1. Has the Department determined that an 80 per cent maximum shall be prescribed?

2. Is it possible for the officials concerned to change the maximum from time to time?

The Chairman: I believe the Minister will comment.

Mr. Olson: As discussed before, the Department will have no right to set the maximum; it is provided for maximums to be set by Governor in Council under Clause 4, I believe. Of course, we will be making recommendations, obviously, to the Governor in Council. To answer the second part of your question, yes, if it is in the Act, as it is, that

[Interprétation]

Le président: L'article 10 est-il adopté?

Des voix: Adopté.

L'article 10 est adopté.

Le président: Ainsi, nous passons donc à la deuxième partie de la loi: «Appel des décisions relatives aux indemnités», article 11. Y a-t-il des questions sur l'article 11?

M. McKinley: Quel est le délai d'appel?

M. Williams: Vous trouverez la réponse à l'article 12, paragraphe (2).

Le président: L'article 11 est-il adopté?

Adopté.

Le président: J'attire votre attention sur l'article 12. Je crois comprendre que la question posée par M. McKinley reçoit sa réponse à l'article 12.

M. Williams: Trois mois, mais l'évaluateur peut accorder un plus long délai.

Le président: Y a-t-il des questions sur l'article 12?

M. Danforth: A l'article 12, paragraphe (1), on parle d'indemnité maximum. Encore une fois on laisse au ministère le soin de déterminer l'indemnité maximum accordée aux cultivateurs. C'est la décision du gouvernement en ce qui concerne le minimum en vertu duquel aucune indemnité ne peut être réclamée, et maintenant nous avons la compensation maximum prescrite aux termes de cette loi. Nous, membres du comité, n'avons aucune idée de ce que peut constituer cette indemnité maximum. Si je ne me trompe, je crois qu'on pourrait avancer 80 p. 100 comme indemnité maximum. Voici mes questions:

1. Le ministère a-t-il déterminé que le maximum prescrit soit de 80 p. 100?

2. Les fonctionnaires en cause pourront-ils changer le maximum à l'occasion?

Le président: Le ministre voudra sans doute répondre?

M. Olson: Le ministère n'aura pas le droit d'établir le maximum. On prévoit, à l'article 4, que le maximum sera déterminé par le gouverneur en conseil. Bien entendu, nous allons formuler des recommandations au gouverneur en conseil.

Et pour répondre à votre deuxième question: oui. Dans la loi telle quelle, le gouver-

[Text]

these can be set by Governor in Council, then of course they can be changed from time to time.

Mr. Danforth: Can the Minister indicate if the Department has contemplated a maximum, and could he suggest to the Committee now what this maximum might be?

Mr. Olson: Based on some experience, as I said when we were on clause 4, we are thinking in terms of about 80 per cent, but I suggest that there are some complexities involved in this depending on the product, for example. Then assessing these losses will have to be spelled out to some extent in the regulations as to procedure and that sort of thing. There are so many variables here that we think that we need to have some experience, but generally speaking, as has been said, we are thinking in terms of about 80 per cent of the loss. I think we need this latitude to apply maximums to various commodities, if that is the way it is going to be laid down, and also to change it from time to time as we gain experience in assessing and paying compensation in this regard.

• 1115

Mr. Danforth: Mr. Chairman, may I, through you, ask the Minister a further question. I can foresee very many grave difficulties in such a procedure. May I give an example where perhaps damage is done to a commodity on two adjacent premises, or perhaps two premises in two different communities and the produce from one of the premises is sold on the wholesale market to the wholesale trade and perhaps the other gentleman is a market gardener and his produce goes retail. Certainly there is going to be quite a difference in the moneys obtained from each of these producers. Would the 80 per cent compensation be prescribed on the wholesale value, the retail value, or the value received through normal trade channels? This could be quite a factor when a farmer under this act is claiming compensation.

Mr. Olson: So far as arriving at those values is concerned, I think that we would take into account the normal market value that that farmer did or could have received had the product been sold, at whatever level he is dealing.

Mr. Danforth: The Minister is telling me then that two farmers for similar damage in a like commodity could, under this proposed act, obtained two varying degrees of compensation, even though each is assessed to the same degree under the act.

[Interpretation]

neur en conseil peut établir ces montants, et changer ces proportions à l'occasion.

M. Danforth: Le ministre peut-il nous indiquer si le ministère a songé à un maximum quelconque, et peut-il dire au comité quel sera éventuellement ce maximum?

M. Olson: D'après les expériences passées, comme je l'ai dit lorsque nous en étions à l'article 4, nous songions à 80 p. 100 des pertes. Je suis d'avis qu'il y a certaines complexités en cause, selon les produits, par exemple. Il faudra que, dans une certaine mesure, l'évaluation des pertes soit prévue dans les règlements.

Il y a tellement de données variables que nous ne pouvons pas fixer un chiffre. Il faudrait une certaine expérience. C'est pour cela qu'en général, comme on l'a dit, nous songeons à 80 p. 100 des pertes. Je crois que nous avons besoin de cette latitude pour appliquer les maximums à divers produits et aussi à changer éventuellement la proportion à l'occasion, au fur et à mesure que nous aurons de l'expérience pour déterminer l'indemnisation.

M. Danforth: Monsieur le président, puis-je poser une autre question au ministre? Je puis prévoir de graves difficultés à cette procédure. Puis-je donner un exemple, en l'occurrence, notamment, lorsqu'il y a des avaries causées à un produit dans deux localités différentes, mettons. Si le produit d'un endroit est vendu sur le marché en gros, et si, dans l'autre cas, les produits sont vendus au détail, il y aura sûrement alors, toute une différence dans les sommes qu'obtiendront ces deux producteurs. Est-ce qu'une indemnité de 80 p. 100 sera prescrite sur la valeur au détail, sur la valeur en gros, ou d'après les voies normales de commerce? Ce sera un facteur très important lorsqu'un fermier, aux termes de la loi, réclamera une indemnité.

M. Olson: En ce qui concerne ces valeurs, je crois que nous tiendrons compte de la valeur marchande normale que le cultivateur aurait reçue si le produit avait été vendu.

M. Danforth: Le ministre m'apprend que deux cultivateurs pourraient obtenir des degrés variables d'indemnité, même si les deux sont évalués de la même façon, aux termes de la loi, pour les mêmes produits.

[Texte]

Mr. Olson: No, I did not say that. What I said was that we would take into account the normal market value of wherever that product was being sold as a consideration for loss of product in so far as the over-all loss is concerned.

Mr. Danforth: But my point is, Mr. Chairman, that one could be in the position of a wholesaler and the other in the position of retailer and the actual values could be in a wide degree of variance.

Mr. Olson: I think you have helped us to answer some of the other questions, Mr. Danforth. This is a good example of why we should not be putting in a specific amount. Presumably if a farmer is selling in the retail market, as opposed to the wholesale market, he would have substantially greater expenses involved, so all these other factors are involved in assessing the loss.

Mr. Danforth: Then my point is valid when I say that under the circumstances two producers could, under a prescribed 80 per cent, receive quite a degree of variance in their compensation.

Mr. Olson: I suppose that it is also true that if the loss occurred, for instance, on potatoes in Prince Edward Island, or on potatoes in the lower Fraser Valley where there was a substantially difference in the market value of those potatoes, that is true.

Mr. Danforth: If I may use an example with the very same potatoes, Mr. Chairman, it could be that one producer of potatoes is shipping to a wholesale market, for example Montreal, and another producer equal in size is selling his potatoes to the tourist trade at a roadside stand; there certainly would be a difference in the actual selling price of the potatoes and the value to the producer. This is my point.

Mr. Olson: But wherever that product was intercepted and therefore at that point withdrawn from the market, there would be a market value that could be fairly easily established at that point. That, of course, is what would have to be taken into account.

The Chairman: I recognize Mr. Douglas.

Mr. Douglas: It seems to me that Mr. Danforth's argument is a very good argument against establishing any figure such as 90 per cent or 80 per cent or any other figure in the legislation, and there is no figure established.

[Interprétation]

M. Olson: Non, ce n'est pas ce que j'ai dit. J'ai dit que nous tiendrions compte de la valeur commerciale normale là où le produit est vendu pour évaluer les pertes globales.

M. Danforth: Précisément, monsieur le président, un producteur pourrait vendre sur le marché, en gros, et l'autre, en détail, et, par conséquent, il pourrait y avoir beaucoup de variantes en ce qui concerne la valeur marchande.

M. Olson: Je crois que vous nous aidez à répondre à certaines des autres questions, M. Danforth. Il s'agit là d'un bon exemple de la raison pour laquelle nous ne devrions pas inscrire dans la loi des sommes spécifiques, car si un cultivateur vend au détail, comparative-ment au marché en gros, il y aurait beaucoup plus de dépenses en cause, et par conséquent tous les autres facteurs, je crois, entreraient en jeu.

M. Danforth: Par conséquent, mon point est valide, lorsque je dis que, dans les circonstances, les cultivateurs pourraient recevoir des sommes différentes, même si la proportion est la même.

M. Olson: C'est vrai aussi, si on subissait des pertes, par exemple, sur les pommes de terre, dans l'île du Prince-Édouard ou dans la vallée du Fraser où la valeur marchande était assez différente. Ce serait aussi le cas.

M. Danforth: Si vous me permettez de prendre les pommes de terre comme exemple, il se peut fort bien qu'un producteur de pommes de terre les expédie à un marché en gros, à Montréal, par exemple, et qu'un autre producteur vende ses pommes de terre aux touristes, le long de la route. Il y aura sûrement une différence dans le prix de vente des pommes de terre et dans la valeur que cela rapporte aux producteurs.

M. Olson (ministre de l'Agriculture): Mais là où ces produits sont interceptés et, à ce point, retirés du marché, il y aurait une valeur marchande qui pourrait être assez facilement assignées, à ce moment-là. Et c'est précisément ce qui entrerait en ligne de compte.

Le président: Monsieur Douglas.

M. Douglas: Il me semble que c'est un bon argument contre l'insertion de chiffres précis dans la loi. Et il n'y a justement pas de chiffre qui soit suggéré. M. Olson a dit que cette idée de 80 p. 100 pourrait être une

[Text]

Mr. Olson I understand has said that this 80 per cent idea could be a guideline, but not necessarily laid down as a standard.

Mr. Gleave: I am directing this question to the legal adviser. Am I right in assuming that once the appeal process is set up, the individual or the company concerned cannot use due process of law, to use the term, or the ordinary courts—whatever is the proper term—to seek the compensation to which he thinks he may be entitled?

• 1120

Mr. Newman: Mr. Chairman, normally, if it were not for this appeal provision, I have grave doubts whether there would be any so-called due process to the ordinary courts at all. It would be a purely administrative decision on the part of the government. By the addition of this appeal provision he does have a right to contest the decision of the Minister. By the insertion of this part of the bill the farmer is being given more rights than he would have under the normal law.

Mr. Gleave: That is a matter of opinion. I asked a specific question. Does this preclude his going to the ordinary courts?

Mr. Olson: Maybe I could answer that. If you are talking about the due process of law and the right of a farmer or anyone else to take action, to initiate litigation and to recover a claim under a civil action if he has been done damage by some other person, I do not think that that is involved at all in this Act. That would still be open to him if he thought he could prove that some other party had in fact done something or committed an act that he could prove resulted in damage to him. This appeal section deals only with a farmer's right to appeal the amount of compensation that was set by the Minister.

Mr. Gleave: But once this appeal process is set up this would be the only avenue that the farmer or anyone else would have if he decided he had not received enough compensation, and he would not be able to go to other courts. Is that not correct?

Mr. Olson: Could I answer your question by asking you a question? Where else could he go for compensation? There is no such act or any provision at all at the moment.

Mr. Gleave: I am merely trying to establish—I am not saying it is right or wrong—

[Interpretation]

directive générale et ne pas constituer la normale.

M. Gleave: J'aimerais poser une question au conseiller. Une fois que cette procédure d'appel sera établie, est-ce que cela signifiera que les personnes ou les sociétés en cause ne pourront pas utiliser le processus normal de la loi ou les cours ordinaires, quel que soit le terme pertinent, pour essayer d'obtenir l'indemnisation à laquelle elles croient avoir droit?

M. Newman: Normalement, monsieur le président, n'était-ce cette disposition d'appel, je doute fort qu'il puisse y avoir un processus de droit ordinaire. Ce sera une décision purement administrative de la part du gouvernement. En ajoutant cette procédure d'appel, on a le droit de contester la décision du ministre. En insérant cette partie du bill, le cultivateur a plus de droits qu'il aurait normalement.

M. Gleave: J'ai posé une question bien particulière. Est-ce que cela l'empêche de s'adresser, de passer par le tribunal régulier.

M. Olson: Je vais essayer de répondre à vos questions.

Si vous parlez de processus légal normal comme du droit du cultivateur ou de qui que ce soit de lancer une poursuite pour recouvrer les réclamations au civil; autrement dit, s'il a subi des dégâts par suite de l'action de quelqu'un d'autre, je ne crois pas que cela se trouve dans la loi. S'il peut prouver qu'une autre partie ou quelqu'un d'autre a commis un acte qui soit nuisible, il pourrait en réclamer. Cet article, sur les dispositions intéressant les appels, ne traite que des droits du cultivateur d'en appeler du montant de l'indemnité qu'a fixée le ministre.

M. Gleave: Ma question était la suivante: Aux termes de la Loi lorsque cette procédure d'appel est établie, c'est la voie normale à laquelle doit recourir le cultivateur s'il estime qu'il n'a pas reçu suffisamment d'indemnités. Et il ne peut pas s'adresser à d'autres tribunaux, n'est-ce pas?

M. Olson: Quel autre recours a-t-il? Il n'y a pas de dispositions, il n'y a pas d'autres lois à l'heure actuelle sur ce point.

M. Gleave: J'essaie simplement d'établir, je ne dis pas que c'est bien ou mal, qu'une fois

[Texte]

that once this appeal process is set up then the farmer may not go to another court and that this appeal is his only avenue. Am I right?

Mr. Phillips: As I interpret the gentleman's question, once a compensation decision has been made he can appeal against that decision. There is nothing in here—and indeed he is protected—that would allow him to take civil action against some other person who was a party to his loss. That was covered in subclause (7).

Mr. Williams: If I might clarify this—maybe I will just add to the confusion—it is my understanding, Mr. Chairman, that Mr. Gleave is asking whether this in any way inhibits the farmer's ability to take legal action against the government for compensation.

Mr. Gleave: Right.

Mr. Williams: It is my understanding at the present moment and until this law is passed that the farmer has no rights whatsoever to take any action against the government to provide compensation.

Mr. Gleave: I am primarily interested in what his position is after this act is passed.

Mr. Williams: My understanding is that after this act is passed he will solely have this act, because he has no rights under any other act. This is my understanding based on other rulings that have been made—for example, under our Health of Animals Act, where he has been awarded compensation and there is no right of appeal because the Act does not provide it.

Mr. Gleave: Then I assume that this appeal court would be bound to consider the appeal of the farmer in light of the regulations set up under this act. Am I correct that if an Order in Council establishes the level of the compensation which the farmer may receive then, under this act, if the farmer brought an appeal he could only appeal the rates set under the regulations of this act?

• 1125

Mr. Williams: That is correct, Mr. Gleave, up to any maximum that may have been set by Governor in Council authority.

Mr. Gleave: Thank you.

The Chairman: Mr. Douglas.

[Interprétation]

que cette procédure d'appel est établie, le cultivateur n'a pas d'autre recours.

M. Phillips: Si j'ai bien compris, une fois qu'une décision a été arrêtée au sujet de l'indemnisation, il peut en appeler contre cette décision. Il n'y a rien là-dedans qui lui permet d'intenter une poursuite civile contre une personne qui a été partie à ses pertes. Cela a été couvert par la paragraphe 7.

M. Williams: Je crois comprendre, monsieur le président, que M. Gleave nous demande si cela empêche le cultivateur d'intenter des poursuites contre le gouvernement.

M. Gleave: C'est exact.

M. Williams: A l'heure actuelle, et jusqu'à ce que cette loi soit adoptée, le cultivateur n'a aucun recours contre le gouvernement sur des questions d'indemnité.

M. Gleave: Ce qui m'intéresse, c'est quelle sera sa position après que cette Loi aura été adoptée.

M. Williams: Après que la Loi aura été adoptée, il n'aura que le recours de cette Loi, car il n'y a aucun droit de prévu par n'importe quelle autre Loi. C'est ce que je comprends d'après les autres décisions qui ont été traitées par exemple aux termes de notre Loi sur les épizooties où on accorde certaines indemnités, mais il n'y a pas de droit d'appel.

M. Gleave: Une autre question que je voulais poser, c'est celle-ci: En ce qui a trait à cet appel, à cette cour d'appel ou ce tribunal d'appel, il faudrait considérer, étudier l'appel du cultivateur à la lumière des règlements qui ont été établis aux termes de la Loi. Ai-je raison? Si le décret du Conseil avait établi que c'est là le niveau de l'indemnité que le cultivateur recevra aux termes de la Loi, si le cultivateur interjette un appel, il ne peut en appeler que contre la proportion établie aux termes de la Loi.

M. Williams: C'est exact, M. Gleave, jusqu'au maximum, quel qu'il soit, établi par décret du Conseil.

M. Gleave: Merci.

Le président: Monsieur Douglas.

[Text]

Mr. Douglas: That was really the point I wanted clarified. Under clause 4 (c) the government may set maximums on the compensation it pays and, if they do so, unless the award falls short of that maximum there is no appeal.

Mr. Williams: I think that is correct. I think the basic principle here is that his right of appeal is against the departmental decision, not against the total government position on it.

Mr. Douglas: Well it quite conceivably could be that the government would not set a maximum and in that case he could appeal the award, whatever it might be.

Mr. Williams: That is right, if there were no maximum set.

The Chairman: Are there any further questions?

Mr. Danforth: Mr. Chairman, it suddenly occurs to me that Mr. Gleave may have a point in the observation he made about the position of the farmer under this act. Am I correct that under this proposed act there is no injury committed unless a government-appointed inspector so designates that a commodity shall be withheld from the market.

Mr. Olson: That is correct.

Mr. Danforth: There is no claim then that a farmer can bring for compensation unless it is under the provisions set out in this act. That is the very point of the act, as I understand it. In other words, the government lays down the prescribed guidelines under which compensation may be claimed from the government; then the government by Governor in Council ruling designates what compensation may be paid; the government appoints the inspector to see whether or not there has been injury; the government appoints an assessor who will assess the amount of the claim; the government appoints those to whom an appeal may be made—and once the government takes action and the appeal has been either granted or denied, that is the last recourse that a farmer has. Am I correct in this assumption? If so, would I be correct in saying that this seems to be weighed a little in favour of the government as far as the farmer is concerned?

Mr. Olson: No, I do not think you would be correct in saying that at all unless you are willing to say that the government in some way could influence the court, and I do not think that that is a fair statement.

[Interpretation]

M. Douglas: Voilà ce que je voulais savoir. Aux termes de l'article 4(c), le gouvernement peut fixer des maximums d'indemnités, et, sauf cas d'indemnité inférieure, il n'y a pas d'appel.

M. Williams: Je crois que c'est exact. Le principe fondamental en cause c'est que le droit d'appel est contre la décision du ministre et non pas contre la position du gouvernement.

M. Douglas: Mais il se peut que le gouvernement n'établisse pas de maximum, et alors l'appel serait possible contre n'importe quelle indemnité.

M. Williams: C'est juste.

Le président: Y a-t-il d'autres questions sur cet article?

M. Danforth: Monsieur le président, il me semble tout à coup que M. Gleave avait peut-être raison lorsqu'il a exposé la situation du cultivateur dans le contexte de cette loi. Aux termes du projet de loi, nous la concevons, il n'y a pas, n'est-ce pas, de tort de commis avant que l'inspecteur nommé par le gouvernement, ait déclaré qu'un produit doit être retiré du marché?

M. Olson: C'est exact.

M. Danforth: Il n'y a aucune réclamation que puisse formuler un cultivateur sauf dans le contexte des dispositions de la présente loi. C'est le but principal de la loi, si je comprends bien. En d'autres mots—le gouvernement, par décision du décret en conseil, détermine les modalités de la réclamation. Le gouvernement nomme l'inspecteur pour voir si oui ou non il y a eu perte. Le gouvernement nomme aussi le fonctionnaire d'évaluer le montant de la réclamation. Le gouvernement désigne ceux à qui on va présenter un appel. Et une fois que le gouvernement passe à l'action et que l'appel a été accordé ou refusé, c'est le dernier du cultivateur. Est-ce que j'ai raison? Ai-je raison de dire que cela semble favoriser le gouvernement plutôt que le cultivateur?

M. Olson: Non, je ne pense pas que vous ayez raison à moins que vous ne vouliez dire de quelque façon que le gouvernement influencerait les tribunaux et je ne pense pas que ce soit juste.

[Texte]

Mr. Danforth: I am not casting any aspersions on the court; I am just saying that it seems that the farmer is standing on an island alone where this act is concerned.

Mr. Richard: If we wanted to leave him on an island we would never pass the act in the first place.

Mr. Olson: I think that the process under this act, Mr. Danforth, is pretty typical of all the laws that we have the way that they are enforced and the way that they are handled—entirely according to the statutes, all of them. This course that you have outlined is not peculiar to this act.

The Chairman: Mr. Peters.

Mr. Peters: How is the farmer or the offended party made aware of what the Order in Council may be in relation to a specific maximum.

Mr. Olson: It will be published in the *Canada Gazette*, which of course is mandatory. But in addition to that we will give publicity within the limits that we are capable of giving it. Now that certainly does not guarantee that every farmer in the country is going to know precisely what his rights are but we will be doing some publications.

• 1130

Mr. Peters: Will not the agent, whoever he may be, that will make the decision in the first instance before the appeal is structured be in a position to provide this type of information?

Mr. Olson: Certainly.

The Chairman: Mr. Douglas.

Mr. Douglas: I hope that we are not setting up two different completely opposed camps here. I do not think the government is an ogre.

Mr. Olson: Not this government.

Mr. Douglas: The government would not be proposing a law like this if they were absolutely opposed to giving the farmers compensation. I think that the government intends to treat farmers fairly in this respect. Furthermore, I think that the provision for appeal guarantees that farmers will be dealt with fairly if they feel that they have not been.

Mr. Olson: I think that it is worth repeating that the whole purpose of this act is to have parliamentary approval and authority to pay compensation. If we were trying to set up an act not to pay compensation, all we need do is not bring the act in.

[Interprétation]

M. Danforth: Je n'ai pas l'intention de déprécier les tribunaux. Je dis simplement qu'il semble que le cultivateur soit condamné à l'isolement du point de vue de cette loi.

M. Richard: Dans ce cas, nous n'aurions pas du tout adopté de lois.

M. Olson: Je pense que le processus aux termes de la Loi, monsieur Danforth, est caractéristique de toutes les lois que nous avons dans les recueils législatifs et ces dispositions ne sont pas propres à celle-ci.

Le président: Monsieur Peters.

M. Peters: Monsieur le président, j'aimerais savoir comment le cultivateur ou la partie qui a subi des pertes, saura quelle est la teneur du décret du conseil intéressant le maximum?

M. Olson: Cela sera publié dans la *Gazette du Canada*. C'est obligatoire, bien entendu. Outre cela, nous en donnerons publicité dans les limites possibles. Cela ne garantit sûrement pas que chaque cultivateur va savoir précisément quels sont ses droits, mais nous allons annoncer ces décisions.

M. Peters: Mais l'agent responsable ne va-t-il pas, avant l'expiration au délai d'appel, fournir ces renseignements?

M. Olson: Si, sûrement.

Le président: Monsieur Douglas.

M. Douglas: Monsieur le président, j'espère que nous n'établissons pas deux camps tout à fait opposés ici. Le gouvernement ne doit pas être un ogre.

M. Olson: Pas ce gouvernement-ci!

M. Douglas: Le gouvernement ne proposerait pas de loi. J'ai l'impression que le gouvernement a l'intention de traiter le fermier avec justice. Les possibilités d'appel garantissent au fermier qu'il sera traité avec justice s'il est d'avis qu'il ne l'a pas été.

M. Olson: J'ai l'impression qu'il vaut la peine de répéter que le seul objet de ce bill est l'obtention de l'approbation parlementaire nécessaire au paiement de cette indemnité. Si nous n'avions pas voulu verser l'indemnité, nous n'aurions pas présenté la mesure.

[Text]

An hon. Member: We could also limit the amount.

Clause 12 agreed to.

On clause 13—Powers of Assessor.

Mr. Danforth: I am interested in subclause (1) (c) of clause 13 which says:

refer the matter back to the Minister for such further action as the Assessor may direct

Once we have gone through a compensation claim to this degree, where compensation has been granted and an appeal made, what could be referred back to the Minister for action in these circumstances?

The Chairman: Mr. Phillips, would you please comment?

Mr. Phillips: This paragraph was put in for the express purpose of reducing the staff required by the assessor. The assessor examines the claims and says, "Well, it seems to me that I need information on five things in order to make a proper judgement". So before making a decision he would refer it back to the Minister and require the Minister's staff to get this information. And if he so desires, indeed, in doing it it might be brought to the attention of the Minister that there was an error made in the compensation and that it should be changed because of this added information. In that case then the individual could go to the assessor again, if he did not agree with this, and the assessor would have this additional information on which to make a judgement.

Mr. Danforth: This is prior to a decision?

Mr. Phillips: Yes.

Mr. Danforth: That is fine.

Mr. McKinley: Would not this same information be available in the original assessment made by the inspector?

Mr. Phillips: Well in my response, Mr. Chairman, I have indicated that in the opinion of the assessor it might not have been sufficient information on which the decision was taken, that he would not take a decision without additional information and would refer it back and say, "I want the following information; would you please get it".

Mr. McKinley: There would be no information that would not be available previous to the inspector's reporting?

[Interpretation]

Une voix: Nous pourrions également fixer le montant maximum de l'indemnité.

L'article 12 est adopté.

A l'article 13: Pouvoirs de l'évaluateur.

M. Danforth: Je m'intéresse à l'alinéa (c) du paragraphe (1) de l'article 13 où il est dit que l'évaluateur peut:

renvoyer l'affaire au Ministre pour qu'il y soit donné la suite que peut ordonner l'évaluateur.

Quand nous avons atteint ce palier, c'est-à-dire que l'indemnité a été versée et un appel logé, que pourrait-on renvoyer au ministre?

Le président: Monsieur Phillips pouvez-vous commenter s'il vous plaît?

M. Phillips: Nous avons inséré cet alinéa uniquement pour réduire le personnel requis par l'évaluateur. L'évaluateur qui examine la réclamation pourrait se dire: «Il me semble que j'aurais besoin d'un renseignement sur 1, 2, 3, 4, 5 points afin d'en arriver à un jugement juste et équitable.» Ainsi il renverrait la question au ministre et demanderait au personnel du ministre d'obtenir ces renseignements. Il pourrait en profiter pour attirer l'attention du ministre sur le fait qu'il y a eu erreur dans l'indemnité et qu'elle pourrait être modifiée en s'appuyant sur ces nouveaux renseignements. Et dans ce cas, la personne en cause pourrait s'adresser à nouveau à l'évaluateur et ce dernier aurait en main de nouveaux renseignements qui l'aideraient à en arriver à une décision.

M. Danforth: Avant la décision?

M. Phillips: Oui.

M. Danforth: Merci.

M. McKinley: Est-ce qu'il ne s'agirait pas des mêmes renseignements dont l'évaluateur disposait au début?

M. Phillips: Dans ma réponse, monsieur le président, j'ai indiqué que l'évaluateur a pu croire qu'il ne possédait pas assez de renseignements et qu'avant de rendre sa décision, il a demandé qu'on lui en fournisse d'autres.

M. McKinley: Il s'agirait de renseignements qui n'étaient pas disponibles auparavant?

[Texte]

Mr. Olson: It may have been available but it may not have been obtained, and at this point he wants to obtain it.

Clause 13 agreed to.

On clause 14—Sittings and hearings.

Mr. Peters: Would the assessor hold the hearing in the area in which the offence takes place or in the area in which the claimant resides? There may be a difference, you know.

Mr. Olson: Well we would hope that this would provide for the hearings to be scheduled to accommodate the appellant and others concerned with an appeal.

• 1135

Clause 14 agreed to.

On clause 15—Procedure

The Chairman: Clause 15 reads:

Subject to the approval of the Governor in Council, the Assessor may make such rules respecting the conduct of appeals and the procedure for the bringing of appeals as he deems necessary to enable him to discharge his duties under this Act.

Mr. Danforth: Mr. Chairman, is this just the normal wording that one would expect to find in procedures of this kind?

Mr. Newman: I do not know whether the word "normal" is proper. It is slightly unusual procedure to have an assessor hear such appeals, but it is not unusual in cases similar to this. For example, when the Tariff Board was set up the Tariff Board Act provided that tariff boards had the right to make procedural rules. This power is also given to the Exchequer Court of Canada, but in the case of this court I do not think it has to be approved by Governor in Council—has an absolute right to make its own rules and procedures. So this slightly limits the assessor—in fact it might limit the assessor more than the normal wording.

Clause 15 agreed to.

Clauses 16 and 17 agreed to.

The Chairman: Gentlemen, we stood Clause 9. I would suggest to the Committee that we break for lunch, that we endeavour to have the conflict in translation clarified, that we present to you clause 9 immediately after lunch, and then go back to clause 1.

The meeting is adjourned.

[Interprétation]

Mr. Olson: Ils étaient peut-être disponibles mais il ne les avait pas et désirait, à ce moment-là, les obtenir.

L'article 13 est adopté.

A l'article 14—séances et auditions.

Mr. Peters: Est-ce que l'évaluateur est tenu d'avoir la séance dans la région où se produit l'infraction ou dans la région où réside le réclamant? Il peut y avoir une différence.

Mr. Olson: Nous espérons que les séances pourraient avoir lieu là ou cela ferait l'affaire de l'appellant et des autres personnes en cause.

L'article 14 est adopté.

A l'article 15—procédure.

Le président: L'article 15 dit:

15. Sous réserve de l'approbation du gouverneur en conseil, l'évaluateur peut établir les règles, concernant la conduite des appels et la procédure d'introduction des appels, qu'il juge nécessaires pour lui permettre de s'acquitter de ses fonctions en vertu de la présente loi.

Mr. Danforth: Monsieur le président, est-ce la terminologie ordinaire que l'on trouve dans les procédures de ce genre?

Mr. Newman: Je ne sais pas si l'expression normale est juste. C'est une procédure plutôt inusitée que l'évaluateur entende les appels, mais ce n'est pas inusité dans des cas semblables. Par exemple, lorsque la Commission du Tarif a été établie, la Loi sur la Commission du Tarif prévoyait que les commissions de tarif aient le droit d'établir les règles de la procédure. Ce pouvoir a aussi été donné à la Cour de l'Échiquier du Canada. Mais dans le cas de cette cour, je crois que cela nécessite l'approbation du gouverneur en conseil. Elle a le droit absolu d'établir ses propres règles de procédure. Ceci veut donc dire que nous limitons quelque peu l'évaluateur, en fait, peut-être, plus que le libellé ordinaire.

L'article 15 est adopté.

Les articles 16 et 17 sont adoptés.

Le président: Eh bien, messieurs, nous avons réservé l'article 9. Je suggère que nous suspendions la séance pour dîner. Nous essaierons de résoudre le conflit de la traduction. Nous étudierons l'article 9 immédiatement après et ensuite, nous reviendrons à l'article premier.

La séance est levée.

[Text]

AFTERNOON SITTING

• 1535

The Chairman: Gentlemen, I see a quorum. When we adjourned for lunch we had stood clause 9 of Bill C-155. I believe that Mr. Phillips wishes to clarify clause 9(2) and I would be pleased if he would address the meeting at this time.

Mr. Phillips: Mr. Chairman, I checked with the translation office and I was informed that in their opinion the French says the same as the English.

The Chairman: Thank you, Mr. Phillips.

M. Lessard (Lac-Saint-Jean): Monsieur le président, cette question a été soulevée par M. Clermont, je crois à la séance de ce matin; or, celui-ci préside ce après-midi une réunion du Comité des finances, du commerce et des questions économiques. Nul doute qu'il prendra bonne note de la réponse de M. Phillips.

The Chairman: Do we have the general agreement of the Committee to accept the explanation given by Mr. Phillips?

Some hon. Members: Agreed.

The Chairman: Shall Clause 9 carry?

Mr. Gleave: Mr. Chairman, if it is in order, I would move that subclause (a) of clause 9 be deleted.

The Chairman: Would you please write that out so that I will be able to present it to the meeting?

Gentlemen, I now have an amendment that reads as follows: "that subclause (a) of clause 9 be deleted."

Mr. Danforth: Mr. Chairman, may we have some discussion on the amendment before it is put? I personally would like to ask a question of some of the witnesses here in this regard.

The Chairman: May I give Mr. Gleave, the mover of the amendment, an opportunity to speak to the amendment and then I will recognize you.

Some hon. Members: Agreed.

Mr. Gleave: Thank you, Mr. Chairman, the reason I moved to delete it is that its inclusion in the act would indicate our readiness to put somebody in jail for two years for offences he might commit under this act. Now the offences may be fairly serious, but I am not prepared at this time to go that far. We are left with subclause (b) which allows

[Interpretation]

SÉANCE DE L'APRÈS-MIDI

Le président: Messieurs, nous sommes en nombre. Quand nous avons levé la séance à l'heure du déjeuner, nous nous étions réservé l'article 9 du bill C-155. Je crois que M. Phillips veut un éclaircissement de l'article 9 (2). Je serais donc heureux si M. Phillips voulait vous adresser la parole.

M. Phillips: J'ai vérifié auprès du Bureau des traductions et on m'a dit qu'à leur avis, le français dit exactement la même chose que le texte anglais.

Le président: Merci, monsieur Phillips.

Mr. Lessard (Lac-St-Jean): Mr. Chairman, this question had been raised by Mr. Clermont at this morning's sitting. This afternoon, however, Mr. Clermont is presiding over the Committee, on Finance, Trade and Economic Affairs. I think however he will note the answer given by Mr. Phillips.

Le président: Serions-nous d'accord, au Comité, d'accepter l'explication donnée par M. Phillips?

Des voix: D'accord.

Le président: L'article 9 est-il adopté?

M. Gleave: Monsieur le président, si c'est conforme au Règlement, je propose que le paragraphe a) de l'article 9 soit supprimé.

Le président: Écrivez cela et je vais le présenter au Comité. Messieurs, j'ai un projet d'amendement qui se lit ainsi: «que le paragraphe a) de l'article 9 soit supprimé».

M. Danforth: Y a-t-il quelque chose à dire au sujet de l'amendement avant que ce soit passé au vote? J'aimerais, pour ma part, poser quelques questions à certains témoins.

Le président: Est-ce que je pourrais donner à M. Gleave, le proposeur de l'amendement, l'occasion de parler? Et ensuite je vous repasserai la parole.

Des voix: D'accord.

M. Gleave: La raison pour laquelle j'ai proposé qu'on supprime cet article, c'est que, si on l'inclut dans la loi, cela indique que nous sommes prêts à emprisonner quelqu'un pendant deux ans pour des infractions qu'il aurait pu commettre en vertu des dispositions de la présente loi. Ces infractions peuvent être assez graves, mais je ne suis pas du tout

[Texte]

punishment under summary conviction, which I would think would be serious enough for the time being.

I will cite as an example for this meeting—I think many of you from Western Canada are aware of this—farmers who treat their seed for the control of seed-borne diseases and then on occasion, having some bushels left over, either inadvertently or otherwise dump it in with market wheat and ship it.

• 1540

Now on the surface of it, this is a pretty serious violation because you are contaminating grain which to all intents and purposes is going to be used for food. The extent of the punishment up until now has been to fine them or simply declare the carload of grain of no use for anything. So this resulted in a dead loss of about \$3,000 to the farmer, plus the fine. I think these are the sorts of measures which we should contemplate. I would sooner see us enact legislation to seize the man's commodity and punish him in this way. I do not like the idea of socking a guy in jail for two years—that is a long time. For this reason I would move that this subclause be removed. If you think it necessary to do this perhaps three years from now, that is another thing, but I am not prepared to do it now.

The Chairman: May I ask Mr. Newman to comment on the proposed amendment and also to make any other observation which he might wish to make.

Mr. Newman: Mr. Chairman, first of all I would like to emphasize that the indictable offence provides for imprisonment for two years, but this is a maximum and all the circumstances would have to be considered by a judge. I think you are well aware that judges very rarely impose a maximum penalty. Furthermore I should like to point out that very rarely would a person be charged by way of indictment. The circumstances would be carefully considered by law officers of the Crown before a charge were proceeded with by way of indictment. It is most unusual, to say the least. I cannot think of any cases in the recent past that have been proceeded with by way of indictment—I am referring to federal government offences rather than Criminal Code offences—where there was an alternative.

This would be reserved for very serious offences or repeated offences when almost contempt for the statute was shown: I want to emphasize that it is most unlikely that a person would ever be imprisoned for two years—

[Interprétation]

disposé à aller aussi loin, à l'heure actuelle. On nous laisse le paragraphe b) qui nous donne une peine pour une infraction punissable sur déclaration sommaire de culpabilité, ce qui serait suffisant, à l'heure actuelle, à mon sens.

Je vais donner un exemple aux membres du Comité, dont vous êtes peut-être au courant si vous demeurez dans l'Ouest du Canada: les cultivateurs qui emploient un produit contre les maladies dans les proven- des, et à qui il arrive parfois d'inclure ces proven- des avec le blé qui doit être vendu.

C'est une infraction assez grave parce que ce blé doit servir comme aliment, à toute fin pratique. Ce qui arrive, c'est que la mesure de punition, à l'heure actuelle, est une amende, ou bien on déclare que le wagon de blé ne vaut rien. Par conséquent, le cultivateur perd environ \$3,000 en plus de l'amende. Je crois que c'est le genre de mesure que nous devrions peut-être envisager. Je préférerais voir une saisie de la propriété du cultivateur ou du produit et le punir de cette façon. Je n'aime pas du tout l'idée de l'emprisonner pendant deux ans. C'est un assez long moment, en effet. Et alors, pour cette raison, je proposerais qu'on enlève cette disposition. Dans deux ou trois ans, s'il faut le faire, très bien, mais je ne suis pas prêt à le faire tout de suite.

Le président: Est-ce que je pourrais demander à M. Newman de commenter le projet d'amendement et de nous donner son opinion aussi.

M. Newman: Il s'agit d'un maximum et non pas nécessairement de la punition nécessaire. Tout cela devrait être étudié par le juge. Je suis sûr que vous savez tous que les juges imposent très rarement le maximum de la peine. J'aimerais aussi ajouter que ce serait très rare, effectivement, le cas où une personne serait accusée par voie de procédures juridiques. Tout cela devrait être étudié très soigneusement par les fonctionnaires de la Couronne avant de procéder de cette façon. Ce serait très inusité, pour dire le moins. Moi-même je ne me souviens pas d'une seule cause depuis tout le temps où l'on aurait agi de cette sorte, quand il s'agit d'infractions aux lois fédérales plutôt qu'au Code criminel.

On réserverait certainement cela aux infractions très graves ou à la récidive, alors qu'on trouverait justement une mauvaise attitude de la part de l'accusé. Et même si la personne était trouvée coupable, il est impro-

[Text]

even if he were found guilty of an indictable offence under this act.

Mr. Gleave: In the event that this clause were not in the act and some individual, as you have described, repeatedly offended and persisted in doing so, could not that man under due process of law be brought on a charge before a judge?

Mr. Newman: Yes, he certainly could. If subclause (a) were deleted, he could be repeatedly charged under subclause (b), which reads "an offence punishable on summary conviction." The way this is worded at the moment, the maximum penalty would be six months imprisonment and/or a \$500 fine. This might not be adequate under certain circumstances, and that is for you gentlemen to decide.

Mr. Gleave: My question was, would he not have so offended the law that, even without this clause in, he could be brought before a judge?

Mr. Newman: Well, yes, even summary conviction offences are brought before a judge in a court of law. It is a criminal offence.

The Chairman: May we recognize the Minister?

• 1545

Mr. Olson: Mr. Chairman, I understand this was discussed when I was away from the meeting this morning. However, I think it is worth pointing out that this provision here, so far as an offence under this act is concerned, does not deal with the situation described by Mr. Gleave. This deals with the two offences spelled out in clause 8(1) and (2) which says:

8. (1) No person shall obstruct or hinder an inspector in the carrying out of his duties or functions under this Act or the regulations.

(2) No person shall knowingly make a false or misleading statement...

Now taking into account that we are talking about obstruction, fraud and that sort of thing as is pointed out here, it is a pretty serious thing and if, for example, mercury residue is left in the seed and somebody gets poisoned it is, indeed, a very serious thing—there is no question about that.

Now if the maximum sentence were to be six months under summary conviction and it was determined by the court that someone had knowingly committed fraud under clause

[Interpretation]

bable qu'elle serait emprisonnée pendant deux ans.

M. Gleave: Puis-je vous poser une question? Au cas où ces dispositions ne seraient pas incluses dans la loi et qu'une personne aurait récidivé, comme vous venez de le dire, est-ce que vous ne pourriez pas, de par la loi, amener cet homme devant les tribunaux?

M. Newman: Oui; si on enlevait le paragraphe a), on pourrait facilement l'accuser immédiatement, en vertu du paragraphe b), sur déclaration sommaire de culpabilité. A l'heure actuelle, le libellé indique un maximum de six mois de prison et/ou une amende de \$500. Ce ne serait peut-être pas suffisant dans certaines circonstances, mais c'est à vous, Messieurs, de décider.

M. Gleave: Ma question était: est-ce qu'il aurait tellement enfreint la loi que, même sans ces dispositions, vous puissiez le traduire devant un tribunal?

M. Newman: Oui, même pour une déclaration sommaire de culpabilité, on pourrait le traduire devant un juge.

Le président: Nous donnons la parole au ministre.

M. Olson (ministre de l'Agriculture): Si j'ai bien compris, on a discuté cette question pendant mon absence de la réunion, ce matin. Mais cette disposition, en ce qui concerne les infractions à la loi, ne traite pas de la situation décrite par M. Gleave. Cela a trait aux deux infractions précisées à l'article 8, paragraphes 1 et 2, qui dit:

(1) Nul ne doit gêner ou empêcher un inspecteur dans l'exercice des devoirs ou fonctions que lui confèrent la présente loi ou les règlements.

(2) Nul ne doit faire sciemment, oralement ou par écrit, une déclaration fausse ou trompeuse...

Alors, si l'on tient compte du fait que l'on parle d'obstruction, de fraude et de ce genre de chose, et bien qu'on ait signalé qu'il s'agit d'une question très grave—si par exemple, vous laissez un peu de résidu de mercure dans les semences—je crois qu'il faut tenir compte aussi du fait que cela est très grave si quelqu'un s'en empare et s'empoisonne. Il n'y a aucun doute à ce sujet.

La peine maximum serait de six mois, en vertu de la déclaration sommaire de culpabilité. Et si le tribunal estimait qu'une personne avait sciemment été coupable de

[Texte]

8(2) or had obstructed an inspector from carrying out his duties in any way to make sure that this contamination did not get into the food channels, I think the risks involved there, if the man knowingly did that—and that is what it says there—would be great and this would be a very, very serious offence.

I think that we need to have that clause in there because if a person did something, unknowingly or not, connected with the misuse of chemicals, it would also have to be proved that he did, in fact, obstruct an inspector from doing what he needed to do to prevent this hazardous material from getting away; or made a misleading statement that led to the same thing. In my view those are serious and they would be done with the knowledge of the person that he was doing something serious.

The Chairman: If he did all the things suggested he would not be charged under this Act. It would be a criminal offence.

Mr. Gleave: That is my point, Mr. Chairman. The point you have made, Mr. Chairman, is my point, that if he does these things he is subject to the ordinary processes of law. Why not leave it that way?

Mr. Olson: Bill C-154 that we are coming to next also has these maximums put in: first of all, what kind of charge can be laid, and then the maximum that is laid down.

The Chairman: It is my omission. I do have Mr. Danforth on my list and I should have recognized him first. May I do so and then I will recognize you, Mr. Roy?

Mr. Danforth: Mr. Chairman, my point was outlined by the Minister. Having in mind the intent of this Bill, as I understand it, I would be perfectly willing to leave Clause 9 (a) in as it is, providing the preamble in Clause 9 (1) were to read "Every person who...violates any provision outlined in this Act under Clause 8 (1) and (2)..." Then we would have exactly what the Bill intends to convey and would confine the punishment to the very abuse that we are trying to get at.

In my exchange with Mr. Newman this morning, in which he indicated that perhaps there was no violation under any other clause, I would like to refer Mr. Newman to Clause 4 where there is a whole series of regulations that may be made by the Governor in Council which are a part of this proposed Act. As it reads here, any violation in the carrying out of any of the regulations

[Interprétation]

fraude en vertu de l'article 8 (2), ou si cette personne avait gêné un inspecteur dans l'exercice de ses fonctions, pour assurer que cette contamination n'atteigne pas les aliments. Et je crois que, si la personne l'a fait sciemment ou non, et c'est ce que l'on précise, c'est une infraction très grave.

Je trouve qu'il nous faut absolument en tenir compte. Si une personne fait quelque chose sans le savoir, soit le mauvais usage d'un produit chimique par exemple, ou si elle empêche un inspecteur de faire son travail ou fait quoi que ce soit pour empêcher que ces produits soient employés ou a fait une déclaration fausse, j'ai l'impression qu'il s'agit d'une infraction assez grave et qui aurait été commise sciemment de la part de la personne accusée.

Le président: Elle ne serait pas accusée nécessairement en vertu des dispositions de la présente loi.

M. Gleave: C'est justement cela, monsieur le président. Si le coupable a fait ces choses, il serait certainement soumis aux procédures normales de la loi. Pourquoi alors ne pas laisser cela tel quel.

M. Olson: Le bill C-154, que nous allons étudier tout à l'heure, comporte aussi son maximum selon le genre d'accusation. Cela dépend du genre d'accusation.

Le président: Je m'excuse, j'ai oublié que j'avais M. Danforth sur ma liste et j'aurais dû lui passer la parole avant. M. Danforth avant et ensuite M. Roy.

M. Danforth: Merci, monsieur le président. Le ministre a justement souligné le point que je veux soulever. Je serais tout à fait consentant à laisser l'article 9(a) tel quel, à condition que, lorsqu'on dit dans le préambule, à l'article 9(1):

«toute personne qui contrevient... à une disposition de la présente loi»,

on insère, en vertu des paragraphes (1) et (2) de l'article 8, ce qui nous indiquerait clairement ce que le bill veut dire. On condamnerait alors le geste posé et on le punirait.

Après l'échange que j'ai eue avec M. Newman ce matin, où il indiquait qu'il n'y aurait peut-être pas d'infraction en vertu des autres articles, en examinant le bill, j'aimerais bien que M. Newman se reporte à l'article 4 où il y a toute une série de règlements qui peuvent être édictés par le gouverneur en conseil et qui font partie de cette loi.

[Text]

prescribed would make a man liable under Clause 9.

Therefore, Mr. Chairman, the proposition brought forward by Mr. Gleave and the intent of the Bill could be well served if Clause 9, in the preamble, indicated that the provisions to be violated were as outlined in Clause 8 (1) and (2).

The Chairman: Mr. Roy?

• 1550

M. Roy (Laval): Pour revenir à l'objectif premier du bill C-155, je pense que nous pourrions en arriver à une entente respectant l'amendement proposé par M. Gleave. Je pense que le but premier de ce bill est de protéger d'abord les intérêts du cultivateur; voilà ce qu'il ne faut pas perdre de vue.

Nous devons prévoir la perte d'une récolte, qui peut être causée, par exemple, par l'emploi des insecticides ou des herbicides. Voici le fruit de mon expérience de douze ans dans l'emploi de ces herbicides, insecticides et fongicides. Le but de ce bill est de protéger le cultivateur contre les compagnies manufacturières de ces produits, parce qu'avant l'adoption ou avant l'entrée en vigueur d'un tel bill, le cultivateur n'avait aucun recours direct contre la compagnie manufacturière.

Aujourd'hui, je crois que le but premier de ce bill est de donner au cultivateur, un droit de recours direct contre la compagnie manufacturière, parce que vous savez qu'une erreur de concentration peut être celle de la compagnie comme celle du cultivateur. Le but de ce bill n'est pas de pénaliser le cultivateur mais plutôt de lui donner un droit de recours pas l'intermédiaire de l'État, de manière justement à lui donner justice.

Je pense que nous ne devons pas prévoir une pénalité que contre le cultivateur, mais également contre les compagnies manufacturières; parce que si elles constatent que la pénalité est sérieuse, elles amélioreront peut-être leurs services techniques pour la vente de leurs produits. Je connais des compagnies manufacturières d'herbicides et d'insecticides qui vendent leurs produits, mais sans les services techniques qui devraient accompagner ces produits. Souvent des cultivateurs éprouvent des difficultés, subissent des pertes occasionnées par le mauvais emploi de ce produit-là. Ce bill devrait justement, inciter les compagnies manufacturières à développer leurs services techniques de manière non seulement à vendre un produit, mais surtout la bonne recette pour obtenir le but visé par l'utilisation de ces produits.

[Interpretation]

Alors, toute infraction aux règlements prescrits rendrait la personne coupable en vertu de l'article 9, ce qui veut dire, à mon sens, monsieur le président, que la proposition de M. Gleave, ainsi que l'objet du bill, seraient bien servis si le préambule de l'article 9 indiquait que les infractions se rapportent à l'article 8 (1) et (2).

Le président: Monsieur Roy?

Mr. Roy (Laval): To come back to the first objective of Bill C-155, I think we might perhaps reach some sort of an agreement regarding Mr. Gleave's amendment. I think that the prime objective of this bill is first to protect the farmers' interests, and we should not lose sight of this.

We must foresee the loss of a crop that might be caused, for instance, through the use of insecticides or pesticides. I worked in this field for 12 years and this is the experience I have gained from the use of these insecticides, pesticides and fungicides. The purpose of the bill is to protect the farmer against the companies manufacturing these products, because before this Bill was introduced the farmer had no direct claim against the manufacturer.

Today, I think that the prime objective of the bill is to give the farmer the right to a direct claim against the manufacturing firm, because you know that an error in concentration may be committed on the part of the company as well as on the part of the farmer. The purpose of this bill is not to penalize the farmer, but rather to give him the right to make a claim through the government so as to obtain justice.

I think that if provision is made for a penalty clause it should not be directed against the farmer only, but also against the manufacturing companies. If the latter see that the penalty is serious, they will perhaps improve their technical services for the sale of their products. I know firms manufacturing insecticides and pesticides that sell their products without the technical services that go along with them. And very often farmers suffer losses and have difficulties through ill use of those products. This bill should urge manufacturing firms to develop their technical services, not only to sell a product, but especially to provide a good formula in order to achieve the purpose of these products.

[Texte]

Dans l'amendement proposé, je pense qu'on déplace un peu l'objectif de ce bill, qui est la protection du cultivateur. Je voudrais féliciter le ministre de l'Agriculture et ses hauts fonctionnaires d'avoir pris l'initiative de nous soumettre ce bill qui, dans notre région va définitivement contribuer à la protection du cultivateur. Je ne vois pas pourquoi nous enlèverions cet article prévoyant une pénalité; il ne faut pas la voir uniquement contre le cultivateur, mais également contre la compagnie qui manufacture ces produits-là.

M. Côté: Monsieur le président, je ne vois en aucune façon l'utilité de l'amendement, puisque comme il l'indique, M. Gleave craint que la personne impliquée ne soit trop pénalisée. Pourtant depuis le début de l'étude de ce bill, on nous répète qu'on veut protéger le cultivateur, que l'État ne fait pas assez pour la protection du cultivateur; de plus, le bill n'impose pas une peine d'emprisonnement de deux ans, comme l'a spécifié tout à l'heure le représentant du Ministère. Le bill prévoit tout simplement que le contrevenant:

«est passible d'un emprisonnement de deux ans, ou d'infractions punissables sur déclaration sommaire».

La peine maximum de deux ans est juste, et comme il a été dit, il est assez rare que le maximum soit imposé, mais le jugement suit la nature de l'offense. Alors je ne vois pas, pour le moment, l'utilité de l'amendement proposé. Le Bill, tel qu'il est, avec la peine maximum de deux ans d'emprisonnement protège le cultivateur, et je ne crois pas que nous devrions retirer cet article.

M. Lessard (Lac-St-Jean): Monsieur le président, j'aimerais demander à notre conseiller juridique pourquoi prévoir un emprisonnement de deux ans mais pas d'amende.

Ici, il semble que le juge ne pourra pas imposer une amende; il devra forcément condamner le contrevenant à un mois, quinze jours ou deux ans, aucune amende n'est prévue. Elle pourrait être de \$500 de \$1,000 ou de \$2,000. Une amende est-elle possible?

• 1555

Mr. Newman: Mr. Chairman, this is taken care of by the provisions of the Criminal Code where at the discretion of the court a fine could be imposed in lieu of imprisonment or in addition to imprisonment.

[Interprétation]

In the proposed amendment I think that we are getting away somewhat from the objective of the bill which is to protect the farmer. I would like to congratulate the Minister of Agriculture and his senior officials for having taken the initiative of presenting this Bill for our consideration. In our region this bill will definitely contribute to protecting the farmer. I do not see why we should remove the penalty clause because it must not be understood as being meant for the farmer only; it also applies to the company manufacturing the products.

Mr. Côté (Richelieu): Mr. Chairman, personally I do not see any usefulness in the amendment since, as Mr. Gleave has been indicated, he fears that the person involved might be penalized too severely. And yet, since the beginning of our consideration of the bill, it has been said over and over again that we are trying to protect the farmer, that the government is not doing enough to protect the farmer. Moreover, the bill does not impose two years of imprisonment as the Department representative specified a little while ago. The bill simply provides that the offender:

"is liable to imprisonment for two years, or punishable on summary conviction."

The maximum two years penalty is fair, and as was stated a little while ago, it is rather rare that the maximum is imposed, but the sentence depends on the nature of the offence. Therefore, I do not think that the proposed amendment has any usefulness at the present time.

The bill as drafted, with a maximum imprisonment of two years, protects the farmer, and I think this clause should not be withdrawn.

Mr. Lessard (Lac St. Jean): Mr. Chairman, I should like to ask our legal adviser why provision is made for two years of imprisonment while no mention is made of a fine. Here it seems that the magistrate will not be able to impose a fine. He will necessarily have to convict the offender to one or two months imprisonment or one or two years, since there is no mention of any fine. There could be a fine of \$500, \$1,000 or \$2,000. Is there any possibility of having a fine?

M. Newman: Monsieur le président, cela est prévu par les dispositions du code criminel, et à la discrétion du tribunal. On pourrait imposer une amende plutôt que l'emprisonnement.

[Text]

The Chairman: If I may be permitted to make an observation, may I draw attention to the word "liable" in there. It does not say that it is going to be imposed. It does not even say that is the maximum.

Mr. Newman: Yes, that would be the maximum.

The Chairman: But at least he is only liable for it which makes it rather doubtful that it would ever be used. Anyway, the question has been called.

Mr. Olson: May I make three points? I am advised by legal counsel that is a provision common to many acts of this type. It is not some new departure where the law is going to come down any harder in its application under this act than under any other. The other point is the summary conviction: that is the maximum and the only way open to deal with it in this Bill. It has a time limit of six months in so far as laying that charge and the conviction after the event. This could cause us some problems.

Then, as a matter of information, I think we should have the maximum penalty, which this is, spelled out in this Bill as a matter of information to anyone involved, so it would not be necessary to search all of the other sections of the Criminal Code for the determination of what the penalty ought to be. This is not a new practice; it is a common thing done in all the acts of this nature.

The Chairman: Gentlemen, the question has been called. Are you ready for the question?

Mr. Danforth: May I beg the indulgence of the Chairman. I would like the Minister to comment before we vote on this particular amendment, because it is of interest to me, on the possibility of the government's entertaining a change in Clause 9(1) as I outlined previously. Would this change the substance of the Bill or be unacceptable?

Mr. Olson: I am advised, as I said, that this provision—I do not want to repeat myself—is very common in this kind of Bill and to restrict it to one clause would be a departure because when the offences and the maximums that are applicable under them are included in a clause such as this it is referred to the Bill.

Indeed, we have others where the maximums refer not only to the violation of the act but to orders using the act, relying on the

[Interpretation]

Le président: Si on me permet de faire une observation, je crois que l'expression «est passible» ne veut pas nécessairement dire qu'ils doivent être emprisonnés. Est-ce que ça indique que c'est le maximum monsieur Newman?

M. Newman: Oui, effectivement, c'est le maximum.

Le président: Mais en fait, il est passible tout simplement. Mais de toute façon on a demandé le vote, n'est-ce pas?

M. Olson: Puis-je demander trois questions? Le conseiller juridique me dit que ces dispositions se trouvent dans plusieurs mesures législatives de ce genre. Par conséquent ce n'est pas un nouveau départ de notre part où la Loi ne sera pas plus stricte dans l'application de la présente mesure que dans l'application des autres. Et l'autre chose c'est que la déclaration sommaire de culpabilité est aussi laissée ouverte. Par conséquent, il y a une date limite de six mois en ce qui concerne l'intention d'un procès, ce qui pourrait peut-être nous amener la condamnation et nous causer des problèmes.

Je crois que la peine maximum devrait être indiquée clairement dans la loi à titre de renseignement pour toutes les personnes intéressées et par conséquent, ce ne serait pas nécessaire de faire des recherches à travers tous les articles des autres lois et dans le Code criminel pour déterminer ce que devrait être la peine. Ce n'est pas nouveau cela; cela se trouve dans toutes les lois de cette nature.

Le président: Messieurs, on a demandé le vote. Êtes-vous prêts à vous prononcer?

M. Danforth: Puis-je demander au ministre de commenter avant que nous votions sur cet amendement, parce que cela m'intéresse, est-ce que le gouvernement pourrait peut-être changer l'article 9(1) dans le sens où je l'ai indiqué tout à l'heure? Est-ce que cela modifierait substantiellement le bill ou non?

M. Olson: On me dit comme je l'ai déjà dit d'ailleurs que cette disposition—je ne voudrais pas me répéter—mais c'est plutôt habituel de trouver ce genre de disposition dans les lois et alors restreindre la disposition à un seul article serait quelque chose de nouveau. Car, quand les infractions et les maximums qui s'y appliquent sont inclus dans un article comme celui-ci, on le rapporte à la Loi.

Il y en a d'autres où les maximums s'appliquent non seulement à une infraction à la Loi, mais aussi aux ordres qui sont fondés sur

[Texte]

authority of the act. It would be a complete departure.

The other point I wanted to make—hopefully without repeating myself—is that I think it is put in many of these acts so that the maximum penalties and the kind of charge that can be laid under the act is, in fact, in the act so you do not have to search somewhere else for it. As a matter of fact, if it is not put in the act probably the maximums that are laid out in this act would not apply and there would be maximums even beyond what is spelled out here.

Mr. Danforth: This is my very point, Mr. Olson. We are leaving under clause 4 that the Governor in Council can make a whole series of regulations. There are at least seven clauses under which the government may make regulations pertaining to this proposed act. As I read this a violation of any one of those regulations can make the farmer liable to an indictable offence under the provision of Clause 9. This is my point.

If the Bill was designed specifically for penalties for a fraudulent claim or an obstruction of an inspector or something one would normally expect to see penalties for, I would find no difficulty with the Bill, but the fact is it does state “any provision of this Act” and there could be pages of provisions and regulations as set out once the Bill is passed and the regulations constructed and put forward for this Bill.

This is my very point. We are giving a blank cheque, as Mr. Gleave has pointed out. We are giving a blank cheque under Clause 9. It says: “violates any provision of the Act”.

• 1600

Mr. Olson: It has just been drawn to my attention, Mr. Chairman, that most of the regulations that will be laid out under Clause 4 do not deal with control of the farmer, they deal with the Governor in Council controlling the Department; for example, proscribing the procedures to be followed; proscribing the methods to be used in determining the loss; proscribing the amounts; proscribing the terms and conditions of the payments. In Clause 4 I see no place where it gives authority to proscribe offences.

The Chairman: Gentlemen, I wonder if I would be correct in drawing to your attention the fact that we do have an amendment. I realize that the discussion perhaps has to do with another amendment but it might determine how you may wish to vote on this particular amendment. However, I think before

[Interprétation]

l'autorité de la Loi. Ce serait une toute nouvelle entreprise.

Et l'autre chose que je voulais ajouter, sans répéter inutilement ce que j'ai déjà dit, est que je crois qu'on l'a déjà inséré dans plusieurs lois, parce que la peine maximum et le genre d'accusations que l'on puisse porter en vertu de la Loi se trouvent dans la Loi plutôt qu'ailleurs. En fait, si ce n'est pas inclus, les maximums déterminés dans la présente loi, ne s'appliqueraient pas et ce serait des maximums encore plus élevés que ce que l'on précise.

M. Danforth: C'est justement ce que je voulais dire, monsieur Olson. En vertu de l'article 4, le gouverneur en conseil peut établir toute une gamme de règlements qui ont trait à ce projet de loi. Et, si j'ai bien compris, une infraction à n'importe quel règlement rendrait le cultivateur passible d'un acte criminel en vertu de l'article 9? C'est ce que je pense.

Si le Bill a été rédigé en vue de réclamations frauduleuses ou d'obstruction à l'inspecteur ou d'autres choses où normalement on s'attendrait à des peines, je ne verrais alors aucune difficulté avec le bill, mais le fait qu'il déclare «toute disposition de la présente Loi» et qu'il peut y avoir des pages de dispositions et de règlements quand le bill sera adopté, tout dépendra du règlement et des dispositions qui sont adoptées par suite de la Loi. C'est justement ce à quoi j'en venais. Nous donnons carte blanche au gouvernement aux termes de l'article 9. On dit:

«infraction à une disposition de la Loi».

M. Olson: On me signale, monsieur le président, que la plupart des règlements qui découleront de l'article 4 n'intéressent pas précisément cette question du contrôle du cultivateur, il s'agit plutôt du gouverneur en conseil qui peut contrôler les ministères; par exemple d'établir les formalités, les méthodes, l'application de la loi, les sommes, le montant, les modalités des pertes; je ne vois rien, aucune disposition à l'article 4 où l'on accorde l'autorité de prescrire le délit.

Le président: Messieurs, je me demande si je peux vous signaler le fait que nous avons une modification. Je sais que nous sommes en train d'examiner une autre modification, le vote sur cette modification. Ceci déterminera peut-être le fait s'il doit y avoir un autre amendement ou non. Nous devrions peut-être

[Text]

we start anticipating other amendments we should dispose of the amendment before the meeting, which reads as follows:

"That subsection (a) of Clause 9(1) be deleted".

All in favour of the amendment raise your hands. All opposed to the amendment please signify. I declare the amendment lost. Shall Clause 9 carry?

Mr. Danforth: No, Mr. Chairman; I propose another amendment which I will draft, with your permission.

Mr. Douglas: While we wait, I have a question. Perhaps I was a little late getting here and missed my chance, but I was going to ask a question on Clause 9(1)(a) before we stood it.

The Chairman: I recognize you now.

Mr. Douglas: My question has been partly answered, but I still wonder, if the term of two years was intended to be a maximum, why it did not just say that in so many words. Why did they not use the word "maximum" there—"is liable to imprisonment for a maximum of two years"? It just says "for two years". Unless you read the connotation of "liable" in there you can assume that it is two years or nothing. It would be a little clearer to the layman, at least, if the word "maximum" had been used.

I have just one other point. Did you get my first question about why not use the actual word "maximum" in there? My second point is why not put subclause (b) in front of subclause (a)? It looks as if (a) is the one you are supposed to use mostly and (b) is an alternative.

The Chairman: Mr. Newman, do you wish to comment?

Mr. Newman: First of all, Mr. Chairman, I think that Clause 9 (1) (a) is quite clear in that it does provide a maximum. This is language familiar to all lawyers and courts. I do not think any mistake at all could be made in interpretation. As you are well aware, all statutes are not designed to be understood by laymen.

Some hon. Members: Oh, oh.

Mr. Newman: For example, I do not know how many of you are responsible for the

[Interpretation]

passer aux voix sur l'amendement suivant, à savoir:

«Que le sous-alinéa a) de l'article 9 (1) soit éliminé».

Tous ceux qui sont en faveur de l'amendement, veuillez lever la main. Tous ceux qui s'opposent alors à l'amendement? Je déclare que la proposition à l'amendement est rejetée. L'article 9 est-il adopté?

M. Danforth: Monsieur le président, je voudrais proposer une autre modification, que je vais rédiger, avec votre permission.

M. Douglas: Pendant que j'attends, j'ai une question à poser. Je suis peut-être arrivé un peu tard pour poser cette question. Je voulais précisément poser une question sur l'article 9, paragraphe 1, sous-alinéa a), avant l'ajournement.

Le président: Je vous accorde la parole maintenant.

M. Douglas: On a répondu en partie à ma question, mais je me demande encore si l'imposition d'un terme de deux ans voulait dire un maximum, pourquoi ne l'a-t-on pas dit en ces termes. Pourquoi ne pas dire «maximum» à cet endroit, «est passible d'un emprisonnement maximum de deux ans»? La Loi ne dit que: «De deux ans». A moins d'y lire la connotation de «possible», on peut supposer qu'il s'agit de deux ans ou de rien. Ce serait beaucoup plus clair pour le simple citoyen, du moins, si le terme «maximum» avait été employé.

Un autre point, monsieur le président. Avez-vous saisi ma première question au sujet de l'emploi du mot «maximum»? Ma seconde question est celle-ci: Pourquoi n'a-t-on pas changé le b) en a) et le a) en b)? Il me semble que a) doit être surtout employé et b) à titre d'alternative.

Le président: Désirez-vous faire des commentaires, monsieur Newman?

M. Newman: Tout d'abord, monsieur le président, j'estime que l'article 9 (1) a) est très clair. Il assure une peine maximum. Je crois que tous les avocats et tous les tribunaux connaissent bien ce libellé, connaissent bien le langage utilisé dans ces dispositions. Comme vous le savez sans doute, toutes les lois ne doivent pas nécessairement être comprises par les profanes.

Des voix: Ho, ho.

M. Newman: J'ignore par exemple combien de vous êtes responsables de la rédaction de

[Texte]

drafting of the Income Tax Act, but that is a prime example. I cannot understand most parts of it.

An hon. Member: It is tough to understand.

Mr. Newman: This particular provision quite clearly provides a maximum of two years imprisonment, and as I mentioned before the Criminal Code also provides that a fine may be imposed in addition to imprisonment up to certain limits.

Mr. Douglas: I just wanted to clarify further my reason for making the proposal. I think already it has been demonstrated; Mr. Gleave is one and I am another who perhaps are not of normal mentality, or something. Mr. Olson said that one reason for putting this Clause 9 in was to make it clear to people who would be looking at the Act what the punishment might be. Certainly lawyers would not have to do that but it seems to me it would have been clearer for the layman if the word "maximum" had been used.

Mr. Barrett: You seem to be unduly concerned about the Saskatchewan area, Ab. Are they a deadly type people out there that you are concerned about in that area?

Mr. Douglas: I have had a little trouble with some of the chemical companies about some lawsuits and it would have helped if I had known a little more about the law than I do.

Mr. Barrett: We all would.

• 1605

The Chairman: Gentlemen?

Mr. Lind: Mr. Chairman, on Clause 9 (a) and (b), who does it protect; the farmer or the inspector?

The Chairman: Mr. Newman?

Mr. Newman: I like to think it protects the public, both the farmer and the inspector. It protects the farmer to the extent that he knows if he performs any of these acts he is liable to punishment.

Mr. Lind: That is not protecting the farmer.

Mr. Newman: It is down in black and white and the provisions of the Criminal Code as such will not apply. Naturally, it would protect the inspector and it would protect the people in general because it would discourage fraudulent claims.

[Interprétation]

la Loi de l'impôt sur le revenu. C'est le premier exemple de lois que je ne puis pas comprendre moi-même, je vous assure. Je ne puis en comprendre la plupart des parties.

Une voix: C'est dur à comprendre.

M. Newman: Cette disposition prévoit clairement une peine maximum d'emprisonnement de deux ans, et comme je l'ai dit plus tôt, le Code criminel prévoit aussi qu'une amende peut être imposée en plus l'emprisonnement jusqu'à une certaine limite.

M. Douglas: Une autre explication. Je crois qu'on a déjà—monsieur Gleave et moi-même—peut-être n'avons nous pas très bien saisi, peut-être n'avons nous pas une mentalité normale. M. Olson lui-même a dit qu'une des raisons pour lesquelles on insère l'article 9, c'est pour bien montrer à ceux qui consulteront la Loi, à quoi pourrait consister la sanction. Et sûrement les avocats n'auront pas à le faire, mais il me semble que cela aurait été plus clair pour le profane si on avait utilisé l'expression «maximum».

M. Barrett: Il y a dans la région de la Saskatchewan des gens qui ont plus de difficultés à comprendre qu'ailleurs.

M. Douglas: J'ai eu sûrement des difficultés au sujet de poursuites judiciaires avec des compagnies de produits chimiques et cela m'aurait beaucoup aidé si j'avais eu une meilleure connaissance de la loi.

M. Barrett: Et nous tous.

Le président: Messieurs?

M. Lind: Monsieur le président, au sujet de 9 a) et b), parle-t-on de la protection du cultivateur ou de l'inspecteur?

Le président: Monsieur Newman?

M. Newman: J'aimerais croire que cela protège le public avant tout, tant bien que le cultivateur et l'inspecteur. Ces articles protègent le cultivateur en autant qu'il sache que s'il commet l'un de ces délits, il va être passible de sanctions.

M. Lind: Je ne crois pas que le cultivateur est ainsi protégé.

M. Newman: La disposition est là en noir et blanc. Les dispositions du Code criminel comme telles ne s'appliqueront pas. Naturellement cela va protéger aussi l'inspecteur et protéger aussi le grand public car cela va dissuader des réclamations frauduleuses.

[Text]

Mr. Lind: I do not think that is what is in there.

Mr. Olson: I really do not think the point is valid or that it reduces itself to a question of whether we are protecting the manufacturer or the farmer; is that the way you put it? I do not think that is the question at all. This is the application and the penalties that are laid out under the law for anyone who commits an offence under this law, and it is common to all acts that you put that in. It is the application and the administration of the law that is laid out here.

Mr. Lind: It protects the administrator of the law more than anybody else. I think it applies to Clause 8(1) and 8(2) more than any of the offences.

The Chairman: Gentlemen, are there further comments? I have an amendment by Mr. Danforth which reads as follows:

That we amend Clause 9(1) by deleting the words "of this Act" after the word "provision" and inserting the words "as set out under subclauses (1) and (2) of Clause 8.

M. Côté (Richelieu): Je voudrais poser une question d'abord à M. Danforth. Qu'est-ce que l'amendement que vous proposez donnera de plus ou de moins au cultivateur? Cette question s'applique aussi à l'inspecteur. D'après moi, aucun changement n'est apporté au bill, on ne fait que jouer sur les mots. Pourriez-vous me donner des explications à ce propos?

Mr. Danforth: With your permission, Mr. Chairman, if I may illustrate an extreme and exaggerated condition, if a farmer for example is overpaid compensation and he is directed to make restitution at a prescribed amount at a prescribed time and he does not fulfil his obligation to the letter, under the terms of a violation of this provision he is subject to this. It says in Clause 9 "violates any provisions" as set out in the Bill—any provisions, any regulations—any provisions as set out in the Bill. My amendment would make it that certainly a farmer or anyone who is guilty of obstructing an inspector or making a fraudulent claim or interfering in any way should be subject to punishment, and as these are outlined in Clause 8 alone, to my complete satisfaction.

My amendment would confine the violations to anyone who is violating clause 8 only of the bill.

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M. Côté (Richelieu): Monsieur le président, puis-je revenir sur ce sujet? Je voudrais des

[Interpretation]

Mr. Lind: Je ne crois pas que cela est compris.

Mr. Olson: Je ne pense vraiment pas que cet argument soit valide ou qu'il s'agit simplement de savoir si nous protégeons le fabricant ou le cultivateur; je n'aime pas ce genre de questions du tout, de toute façon. Il s'agit plutôt de l'application et des peines relevant d'une Loi pour quiconque commet un délit aux termes de cette Loi. Et il en va de même pour toutes les lois que l'on adopte. Il s'agit de l'application de l'administration de la Loi.

M. Lind: Elle protège les administrateurs de la Loi plutôt que n'importe qui d'autre. Je crois que cela s'applique à 8(1) et 8(2) plus que tout autre délit.

Le président: Messieurs, y a-t-il d'autres commentaires? J'ai donc votre modification, monsieur Danforth, ainsi qu'il suit:

qu'une modification à l'article 9 (1) éliminant tous les mots après «disposition» et que l'on ajoute «tel qu'établit selon les paragraphes (1) et (2) de l'article 8».

Mr. Côté (Richelieu): I would like to put a question first to Mr. Danforth. What will the amendment you propose give or take away from the farmer? This question also applies to the inspector. In my opinion, no change at all has been brought to the bill. All it amounts to is a play on words. Could you give us an explanation on this matter?

Mr. Danforth: Si vous me le permettez, monsieur le président, si vous me permettez d'utiliser un exemple extrême. Mettons qu'un cultivateur reçoit une indemnité excessive et qu'on lui demande de restituer, de rendre un montant prescrit moyennant une date définie, et qu'il ne remplit pas ses obligations à la lettre aux termes de ces dispositions, il serait donc sujet à une poursuite. On dit dans l'article (9): «contrevient à une disposition du présent projet de loi, à une disposition, à un règlement, à toutes dispositions établies dans le bill. Mon amendement assurerait qu'un cultivateur ou toute personne coupable d'obstruer un inspecteur ou de déposer une réclamation frauduleuse ou d'intervenir de toute autre façon est passible d'une peine telle que déterminée dans l'article 8, et j'en suis satisfait.

Mon amendement se confine aux violations visées par les dispositions de l'article 8 du Bill.

Mr. Côté (Richelieu): Mr. Chairman, may I come back to this issue? I would like to have

[Texte]

explications du conseiller. Lorsqu'il est question d'une disposition, ce pourrait être quelque chose qui n'est pas contenu dans les articles 8(1) et 8(2), quelque chose qui aurait pu apparaître condamnable aux yeux de la personne ou de l'inspecteur, si le tribunal le juge de mauvaise foi. Je pense alors que la disposition ne change rien. L'explication que vous me donnez n'est pas plus précise que le texte écrit actuel. Je pense que ce changement ne nous mènerait pas plus loin.

Est-ce que je me trompe? Qu'en pensez-vous?

Mr. Olson: Mr. Chairman, the hypothetical situation raised by Mr. Danforth is dealt with specifically in Clause 5(5), which says that any excess of compensation may be recovered at any time as a debt due to Her Majesty. The Financial Administration Act deals with how that is collected and that is as far as that kind of situation would go.

Mr. Danforth: We have another similar one under subclauses (5) and (4).

Mr. Howard (Okanagan Boundary): Mr. Chairman, we were told this morning that this clause applies only to clause 8. I cannot understand why there should be an objection to that amendment if it only applies to clause 8. Could we have an opinion from Mr. Newman on that point?

Mr. Newman: Mr. Chairman, the way the clause is presently worded it would apply essentially to clause 8; it might also apply to clause 7(3), which is another example and which reads as follows:

The owner or person in charge of any place or premises referred to in subclause (1) and every person found therein shall give an inspector all reasonable assistance in his power to enable the inspector to carry out his duties and functions under this Act and the regulations and shall furnish him with such information with respect to the administration of this Act and the regulations as he may reasonably require.

Now in my view a person could be charged with failure to observe the provisions of this part of the bill.

Mr. Howard (Okanagan Boundary): Would you be satisfied with changing the amendment to include clause 8 and clause 7(3)?

[Interprétation]

an explanation from the adviser. With regard to a provision it could be something which is not contained in Clauses 8(1) and 8(2), it could be something that might have appeared condemnable, to the person or the inspector, if the court establishes that there was bad faith in the case. In that case, I do not believe that the provision changes anything. The explanation you are giving me is not any clearer than what is written in the bill presently. I think that this amendment would not lead us any further.

Am I wrong? What do you think?

M. Olson: L'exemple hypothétique soulevé par M. Danforth relève spécifiquement de l'article 5, paragraphe 5, où il est dit que toute indemnité excessive peut être récupérée à n'importe quel moment en tant que dette due à Sa Majesté et la *Loi sur l'administration financière* contient des dispositions concernant le remboursement et les modalités vis-à-vis d'une belle situation.

M. Danforth: Eh bien, si vous voulez des exemples, je peux bien vous en donner un autre semblable qui s'applique aux paragraphes (5) et (4).

M. Howard (Okanagan-Boundary): On nous a dit ce matin que cet article 9 ne s'appliquait qu'à l'article 8. Je ne vois pas pourquoi on s'opposerait à cette modification si elle ne s'applique qu'à l'article 8. Pourrions-nous avoir une opinion de M. Newman là-dessus?

M. Newman: Monsieur le président, d'après le libellé actuel de l'article, cela s'appliquerait essentiellement à l'article 8, mais pourrait s'appliquer aussi à l'article 7 (3), qui est un autre exemple et qui se lit ainsi:

le propriétaire ou la personne responsable d'un lieu ou local mentionné au paragraphe 1, et toute personne qui s'y trouve doivent fournir toute l'aide raisonnable en leur pouvoir à l'inspecteur pour lui permettre d'exercer ses devoirs et fonctions en vertu de la présente loi et des règlements, et lui fournir, en ce qui concerne l'application de la présente loi et des règlements, les renseignements qu'il peut raisonnablement exiger. A mon avis, quelqu'un pourrait être accusé d'infraction s'il ne s'est pas conformé à cette disposition de la loi.

M. Howard (Okanagan-Boundary): Par conséquent, on pourrait peut-être modifier l'amendement pour que l'amendement s'applique à l'article 8 et à l'article 7, paragraphe 3.

[Text]

Mr. Newman: Well, Mr. Chairman, I do not think I have any power to be satisfied or dissatisfied.

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Mr. Howard (Okanagan Boundary): Well, as our legal adviser do you think this would solve the problem?

Mr. Newman: I do not know that there is any problem as such, Mr. Chairman. I do not think it is proper for me to comment on the advisability of amendments of this type.

Mr. Howard (Okanagan Boundary): Well, we are asking for a legal opinion on whether or not this covers all the situations you would want. Is there any reason that it would not?

Mr. Newman: There is a possibility, as was raised, that the regulations might possibly provide some offence for failure to observe the regulations. I am not sure whether they will or not. As you know, the regulations have not yet been drafted. However, there might well be provisions even though it is unlikely from the wording of the enabling powers given by this bill that there would be such regulations. It is possible that there could be some offences created by the failure to observe certain requirements prescribed by the regulation. In my view the amendment might well limit the Governor in Council creating offences by way of regulation. I should emphasize again that the creation of offences by way of regulation is most common. It is not a surreptitious way of putting somebody in a tight spot. This is a very usual procedure.

Mr. Howard (Okanagan Boundary): It seems to me that we have been misled on this because this morning we were told that it applies to clause 8 and now we are told it applies to clause 7(3). Then we are told that it could apply to other clauses, even uncreated clauses or regulations. Now we went ahead this morning on the basis of it applying only to clause 8. Is there some answer for this?

The Chairman: May I recognize Mr. Phillips and then I will go back to the Committee members?

Mr. Phillips: Mr. Chairman, we have discussed the matter of regulations under clause 4 and most of them relate to actions of the Department. However, there is one area in which it will relate to the claim made by the

[Interpretation]

M. Newman: Je ne pense pas que je puisse être content ou mécontent de l'amendement.

M. Howard (Okanagan-Boundary): En tant que conseiller légal, pensez-vous que cela réglerait la question?

M. Newman: Je ne pense pas qu'il y ait de problème comme tel, monsieur le président. Je ne pense pas qu'il m'appartienne de commenter sur l'à-propos d'un amendement de ce genre.

M. Howard (Okanagan-Boundary): Nous voulons avoir une opinion légale en ce moment. Est-ce que cela couvrirait oui ou non toutes les situations possibles? Y a-t-il un motif qui pourrait n'être pas pas couvert?

M. Newman: Il se peut toujours que les règlements fournissent certaines causes de délit supplémentaires pour inobservation desdits règlements. J'ignore si ce serait le cas. Comme vous le savez, les règlements n'ont pas encore été rédigés. Il se peut fort bien cependant, bien que cela soit peu probable, que les dispositions visant les pouvoirs contenus dans la loi créent de tels règlements. Il se peut que certains délits soient créés par l'inobservation de certaines exigences prescrites par le règlement.

Dans ce cas, l'amendement empêcherait alors le gouverneur en conseil de créer des conditions de délits par voie de règlement. La création de causes de délit par voie de règlement est un cas commun. Ce n'est pas une façon de coïncider les gens, c'est une procédure très courante.

M. Howard (Okanagan-Boundary): Il me semble qu'on nous a induits en erreur. On nous a dit ce matin que cela ne s'appliquait qu'à l'article 8. On nous dit maintenant que cela s'applique à l'article 7, 3). Et puis on nous dit maintenant que cela peut s'appliquer aussi à d'autres dispositions figurant même dans les règlements qui n'existent pas encore.

Ce matin, nous pensions que cela ne s'appliquait qu'à l'article 8 uniquement. Y a-t-il une explication à cela?

Le président: Puis-je accorder la parole à M. Phillips, puis je reviendrai aux membres du Comité.

M. Phillips: Monsieur le président, nous avons discuté de la question des règlements en vertu de l'article 4 et la plupart de ceux-ci se rattachent aux initiatives du ministère. Cependant il y a un cas où ils se rattachent

[Texte]

individual—that would be clause 4(a). The individual would be required to make statements about his claim. Clause 8, which makes it an offence to do certain things, reads in part:

No person shall knowingly make a false or misleading statement... in writing in any claim or statement required or permitted by this Act...

Now if a false claim were made in a claim for compensation and it were determined that that were the case then it would be a violation of clause 8. But clause 8 ties in to a regulation made with respect to a claim and, therefore, in my view—I am not a lawyer—because of the way it is written it goes back to clause 8. But clause 8 goes back to the regulations. So it has not really changed anything. It is in clause 8 that mention is made of the regulations and I think it is needed there in relation to a false claim.

The Chairman: May I recognize Mr. Stewart?

Mr. Stewart (Okanagan-Kootenay): Mr. Chairman, I want to deal solely with Mr. Danforth's example of the government seeking restitution from an individual who had knowingly done something. May I stress the word "knowingly" in clause 8 (2). If in fact there was fraud involved there and the "knowingly" made a false statement or misled then, of course, it would be an offence under the proposed act. But one should not presume that it was a fraudulent statement. It could have been an innocent misrepresentation, in which event there would not be premeditated intent to defraud—therefore it would not be a misdemeanor under the proposed act.

The Chairman: Mr. McKinley?

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Mr. McKinley: Mr. Chairman, it seems to me that clause 7 sets out what an inspector can do and then Clause 8 covers what a person cannot do to obstruct or hinder such an inspector. I think the amendment simply brings it back to clause 8. I do not think it should be allowed to cover everything else. I do not think it even has to cover clause 7 because it simply says what the inspector shall be able to do.

Le président: Monsieur Lessard.

[Interprétation]

aux réclamations faites par des particuliers, soit à 4(a).

Le particulier en question devra faire une déclaration au sujet de sa réclamation. L'article 8 comme tel précise qu'il est délictueux d'enfreindre n'importe quelle disposition de la loi, et se lit ainsi:

Nul ne doit faire sciemment...

... une déclaration fausse ou trompeuse dans une déclaration exigée ou permise par la présente loi...

Ainsi, si une fausse déclaration est faite dans une réclamation pour indemnisation, il s'agit alors d'une violation de l'article 8, concernant les réclamations. Par conséquent, à mon avis, (je ne suis pas avocat) le libellé de l'amendement de l'article revient à 8, et 8 se rattache aussi au règlement, de sorte que l'amendement ne change rien. C'est dans l'article 8 que l'on mentionne le règlement, et en ce qui concerne les fausses réclamations.

Le président: M. Stewart.

M. Stewart (Okanagan-Kootenay): Monsieur le président, pour parler uniquement de l'exemple qu'a donné M. Danforth, on voit que le gouvernement cherche à récupérer les fonds d'un individu, qui a sciemment, et je signale l'expression sciemment, de l'article 8, 2), fraudé. Il y a alors un élément de fraude si cet individu a fait sciemment une déclaration fausse ou trompeuse. Ce serait naturellement un délit aux termes de la loi, mais on ne peut pas présumer qu'il s'agirait, au premier abord, d'une déclaration frauduleuse. Il se peut fort bien qu'il y ait erreur et que le prévenu ou l'individu n'ait eu aucune intention préméditée de commettre une faute. Ce ne serait donc pas un délit aux termes de la loi.

Le président: M. McKinley.

M. McKinley: Monsieur le président, au sujet de ce qu'a dit M. Newman, il me semble que l'article 7 couvre tout ce que devrait faire un inspecteur, et que l'article 8, élabore ce qu'une personne ne devrait pas faire en vue d'empêcher cet inspecteur de faire son travail. Il me semble que l'amendement ne fait que nous ramener à l'article 8. Il ne devrait pas couvrir les autres dispositions. Je pense qu'il ne devrait pas couvrir l'article 7, car ce dernier énumère simplement ce que l'inspecteur devrait pouvoir faire.

The Chairman: Mr. Lessard.

[Text]

M. Lessard (Lac-Saint-Jean): Monsieur le président, en étudiant encore davantage l'article 8, je m'oppose à l'amendement de M. Danforth, parce qu'il ne change absolument rien. L'article 8 englobe en fait tout le Bill. Tout ce qui concernera le Bill est englobé dans l'article 8.

En somme, M. Danforth donnait tantôt l'exemple d'un gars qui devrait rembourser un montant. S'il doit rembourser un montant, il a donc fait de fausses déclarations, ou bien ses déclarations ont été mal interprétées. L'article 8 s'applique alors à tout ce qui est prévu dans le Bill, même aux règlements. Si on voulait exclure les règlements de l'article 9, on n'en serait pas capable parce qu'ils sont englobés par l'article 8.

Du moment où on dit que l'infraction sera appliquée à l'article 8, automatiquement, on inclut tout ce qui se passe dans le Bill. Je pense que c'est exactement ce que M. Phillips vient de dire, et je suis d'accord.

Mr. Lind: May I revert to Clause 7(1) (b), which states:

(1) An inspector may at any reasonable time, (b) require any person in such place or premises to produce for inspection or for the purpose of obtaining copies thereof or extracts therefrom, any books...

I do not think that the inspector has any right at all to do this. I know from experience that officials of various departments of the federal government to come in and ask for the farmer's or businessman's complete general ledgers. They in fact do this. I think "any books" in here gives them the right to do this. I think "any books shipping bills, bills of lading, documents containing mixing instructions, or other documents or papers concerning any matter relevant to the administration of this act or the regulations" should be taken out. How is the farmer going to make copies of all these?

The Chairman: Where are you reading from, Mr. Lind?

Mr. Lind: Clause 7(b). I think "any books" gives them entirely too much latitude. I have had inspectors come in who have no business asking to see a general ledger of a business.

The Chairman: But clause 7 has carried, Mr. Lind.

Mr. Lind: If you do not want to go back to it, all right, Mr. Chairman, but I am arguing

[Interpretation]

Mr. Lessard (Lac-Saint-Jean): Mr. Chairman, on further consideration of clause 8, I am opposed to Mr. Danforth's amendment because it does not change anything. Clause 8 covers the whole Bill. Everything that will concern the bill is covered by Clause 8.

A moment ago Mr. Danforth gave us an example of somebody who would have to reimburse an amount of money. If he has to reimburse a sum of money it is either that he made false statements or that his statements were misinterpreted. Clause 8 would then apply to everything which is provided in the bill and even to the regulations. If we wanted to exclude the regulations from clause 9, we could not do it because they are covered by Clause 8.

When we say that the violation will be applied to Clause 8, everything that is in the Bill is included automatically. I think this is exactly what Mr. Phillips has just said, and it concurs with my opinion.

M. Lind: Monsieur le président, dans le paragraphe (b), il est dit que l'inspecteur peut, à n'importe quel moment, requérir toute personne qui se trouve dans un tel lieu ou local de produire pour inspection, ou pour permettre d'en prendre des copies ou extraits, les livres, connaissements etc. Je ne pense pas que l'inspecteur devrait avoir ce droit, et je sais par expérience, que des fonctionnaires des divers ministères fédéraux entrent chez un fermier ou chez un commerçant et demandent à prendre connaissance de tous les livres. C'est ce qu'ils font. Je pense qu'on leur donne le droit ici, en disant tous les livres, d'agir ainsi. Cette disposition visant les extraits de comptes, les livres, les autres documents devrait être éliminée. Comment d'ailleurs le cultivateur va-t-il pouvoir faire des copies de tous ces documents?

Le président: Qu'est-ce que vous lisez en ce moment?

M. Lind: Je me fonde sur 7, alinéa b) Je pense qu'on leur donne trop de latitude. J'ai vu des inspecteurs qui sont arrivés dans une ferme, dans des locaux, dans une entreprise et qui ont demandé à voir tous les livres, et qui n'avaient rien à faire dans cet endroit.

Le président: Mais l'article 7 a été adopté.

M. Lind: Fort bien, monsieur le président, si vous ne voulez pas y revenir, si vous ne

[Texte]

it. If you do not want to reopen it, all right, I will argue some place else.

The Chairman: I think there would be an opportunity but—

Mr. Lind: All right, I will argue the matter under clause 1. I would like an explanation of what “any books” means, because I have had experience with government inspectors.

Mr. Stewart (Okanagan-Kootenay): I think we are dealing with the amendment at this particular time, Mr. Chairman.

The Chairman: That is true, we are dealing with an amendment.

Mr. Lind: All right, I will open up the matter under clause 1.

The Chairman: All right.

Mr. Pringle: Mr. Chairman, I am unable to follow the reasoning behind the amendment. I too am not a lawyer, but if we in clause 9(1) refer only to clause 8 I can project in my mind sitting in a courtroom listening to a lawyer making great hay out of the confusion that we have created and which he can use as ammunition in a legal case. It seems to me it almost contradicts the intent of the bill to place a clause like clause 8 in the bill and then, what really refers to the rest of the act as far as what the requirements are, to state in the next clause that the violations can only refer to clause 8. Is that not confusing and does this not create a condition where we could provide some additional—to use the word again—confusion in the courts with regard to the sensibility of the act?

• 1625

The Chairman: Mr. Danforth?

Mr. Danforth: Mr. Chairman, I think Mr. Pringle's question is a very valid one. The purport of my amendment is based on the fact that this bill is designed specifically for compensation to the farmer. In any action taken where there is contamination, most of the jurisdiction and the action will be under the Food and Drug Directorate and their Acts rather than under this proposed Act.

Since this Act does deal with farmers and their compensation, my contention in the amendment is that the only violations that are of concern of this Act, are where persons hinder the work of competent and appointed inspectors in their task, and where an

[Interprétation]

voulez pas ouvrir le débat, fort bien. Je trouverai un autre endroit pour faire valoir mes arguments.

Le président: Je pense qu'on pourra y revenir mais...

M. Lind: Fort bien. Je rouvrirai le débat à l'article 1. J'aimerais qu'on me donne une explication. Qu'est-ce qu'on veut dire par «les livres».

M. Stewart (Okanagan-Kootenay): Je crois qu'à ce moment-ci, nous en sommes à l'amendement.

Le président: Oui, précisément.

M. Lind: Parfait, j'en parlerai lors de l'étude de l'article 1.

Le président: M. Pringle.

M. Pringle: Monsieur le président, je ne trouve pas exactement la raison de l'amendement. Je ne suis pas, moi non plus, avocat, mais si dans l'article 9(1), nous nous référons seulement à l'article 8, il semble que je me vois dans un tribunal et que j'entends un avocat qui ne finirait pas de commenter la confusion que nous avons créée, et d'utiliser cette confusion comme munition dans une cause judiciaire, il me semble qu'on contredit presque les intentions de la loi en plaçant, en insérant un article comme l'article 8 dans cette loi.

Puis, ce qui vraiment a trait à toutes les autres dispositions de la Loi du Parlement et des exigences de cette Loi. Et puis déclarons, dans l'article suivant, que les infractions ne peuvent que se rapporter à l'article 8. Est-ce que cela ne créerait pas encore plus de confusion au sujet de la signification, si l'on veut, de la Loi?

Le président: Monsieur Danforth?

M. Danforth: Monsieur le président je crois que la dernière question qui a été posée est très bonne.

Le but de mon amendement est fondé sur le fait que le bill est destiné spécifiquement à indemniser le cultivateur et qu'en toute initiative qui sera prise, lorsqu'il y aura contamination, la compétence reviendra à toute la Direction des aliments et drogues et ne relèvera pas de cette Loi comme telle.

Et comme la Loi dont nous sommes saisis a trait à l'indemnisation des cultivateurs, je sais bien, pour ma part, dans la modification, que les seules infractions possibles qui intéressent cette Loi sont lorsque quelqu'un gêne le travail de l'inspecteur, dans l'exercice de ses

[Text]

attempt is made to make a fraudulent claim, to suppress information or to give misinformation.

Since these are adequately covered under sub-clauses (1) and (2) of Clause 8, my amendment would confine the punishment under this Act to those specific violations. I am very much alarmed having had the experience, as have all gentlemen present, that when these bills pass through the hands of parliamentarians, very often we are not too conversant with the regulations that may be drafted pertaining to the legislation, and that sometimes the penalty clauses refer to regulations where, if the legislators were aware of what the consequence might be, they would at that time have taken violent opposition to them. My amendment strives in this instance, to confine the punishment and the degree of the offence strictly to an attempt by an individual to violate the regulations as prescribed in the normal carrying out of the functions of this proposed Act.

The Chairman: Gentlemen, may I submit for the benefit of the Committee that we are really talking about the offences to obstruct or to make false or misleading statements. I do not think the Committee is concerned as to which Clause it comes under, but if a person obstructs, misrepresents or makes false or misleading statements then, of course, the punishment would be provided for.

We are probably losing sight of the fact that in one case it deals with the offence, and in another case it deals with the punishment.

The Committee really is not concerned with what clause it comes under. If it is a case of fraud or false or misleading statement or an obstruction, whatever clause may apply, it is an offence.

Are we ready for the question?

Mr. Olson: Mr. Chairman, if I may, I was trying to determine in my own mind if we should go back to the drafting people in the Department of Justice and find out what the implications would be with respect to accepting this amendment or some other amendment. What we have to bear in mind here is that this amendment is redundant. It does not really do anything. It does not create any offences. The offences are spelled out in other portions of the act. Indeed, if we took away Clause 9 altogether, there would still be an offence, an offence with which a person could be charged. Then there would be no limitation.

[Interpretation]

fonctions, et d'autre part lorsqu'on tente de faire une déclaration frauduleuse et trompeuse pour supprimer des renseignements ou donner de mauvais renseignements.

Et, comme ces deux cas sont bien couverts aux termes des paragraphes 1 et 2 de l'article 8, mon amendement limiterait la punition aux termes de la loi à ces deux délits. Je sais, comme d'ailleurs tous les députés présents, que lorsque ces bills sont adoptés et passent par les mains des parlementaires, très souvent, nous ne connaissons pas bien les règlements qui peuvent être rédigés et qui peuvent découler de la Loi.

Et, parfois les fonctions s'appliquent à des règlements, alors que les législateurs ne pourraient peut-être pas deviner quelles seraient les conséquences au moment où ils vont adopter les dispositions de la Loi. Mon amendement, par conséquent, essaye, dans ce cas-ci, de confirmer les sanctions et les délits aux tentatives que ferait quelqu'un de violer les deux grandes dispositions de l'article 8, notamment, les fonctions de la Loi.

Le président: Pour la gouverne du Comité, puis-je vous dire que nous ne parlons que de deux choses, quelqu'un qui générerait les fonctions de l'inspecteur et ferait des déclarations fallacieuses, et peu importe le fait que cela relève des articles 3 ou 8 ou d'autres articles.

Si vous gênez les fonctions de l'inspecteur, la sanction sera de toute façon très rude. Je crois que nous perdons de vue le fait que, dans un cas, nous parlons du délit et, dans un autre cas, de la punition. Nous essayons de rattacher cela.

Je ne pense pas que le Comité se préoccupe déjà de l'article dont cela relève, qu'il s'agisse de fraude, de déclaration fallacieuse, d'obstruction, quel que soit l'article, où cela s'applique, c'est un délit. Sommes-nous prêts à passer à la mise aux voix?

M. Olson: Monsieur le président, si vous me le permettez, j'essayais de déterminer si nous devrions renvoyer cela au rédacteur du ministère de la Justice, pour savoir quelles seraient les répercussions, les effets, si on acceptait cette modification ou d'autres modifications. Mais j'ai l'impression que nous ne devons pas oublier ici que cette modification est une tautologie: elle ne crée pas de délit. Les délits sont explicités dans d'autres parties de la Loi et si nous enlevions de fait l'article 9, il y aurait encore un délit qui existerait, un délit qui serait passible d'accusation, et puis il n'y aurait aucune limite.

[Texte]

• 1630

I have explained that we need an indictable offence for the sake of time, because under summary conviction procedure there is only six months, and in my view situations could arise where there would be a time delay, where a passage of six months would, in fact, expire before all of the facts could be ascertained. Clause 9 does not create or spell out offences, because the offences are in other Acts; all it does is limit the penalties under an offence. We are not competent under this proposed Act to change the time limit on a summary conviction and we, therefore, have to rely on the other laws that are administered by the Department of Justice insofar as what the conditions attaching to an indictable offence or a summary conviction may be. That is one thing.

The other thing is that we should not try to raise small offences or what may be determined by the courts as offences that should not carry the maximum penalty, and try to equate that situation, or substitute ourselves for the functions of a court of law that will in fact, hear the evidence as to how serious an offence is and how much penalty ought to be attached to it. The penalties that the courts will have the power to impose, and this is common to all other Acts, have a minimum and a maximum both in terms of dollars and of length of time in prison; that is, insofar as the sentence is concerned.

We are just setting out the kind of charges that can be laid, and for the reasons that I have outlined, and putting the maximum on them, which is common practice; there is nothing new or novel about it at all. Therefore, to accept this amendment to Clause 8 only, having in mind the point that has been raised that that again refers to the regulations and so on, would be redundant and unnecessary and in fact a departure from the way this kind of thing relating to offences and penalties is dealt with in other Acts.

The Chairman: Mr. Peters wished to be recognized?

Mr. Peters: In reference to Clause 9 (3) the Minister has indicated that there is a six months limitation on summary conviction. We are writing into the Clause that summary conviction does not apply under this proposed Act because we have extended it a year. This is really a year and six months we are talking about.

Mr. Olson: That is right; total.

29653—5

[Interprétation]

Comme je l'ai expliqué, nous avons besoin d'un délit passible de condamnation, en vertu d'une déclaration sommaire de culpabilité ou en vertu d'une procédure judiciaire. Il n'y a qu'une période de six mois qui est prévue et, à mon avis, il se peut que dans certains cas il y ait des retards. Et, la période de six mois, le délai de six mois de fait, s'épuiserait avant que tous les faits soient déterminés. L'article 9 ne crée pas de délit, car les délits sont mentionnés dans d'autres lois. Tout ce qu'on fait, en somme, c'est limiter les sanctions relevant des délits prévus. Et, d'après la Loi, nous ne pouvons pas changer les délais pour une déclaration sommaire de culpabilité.

Par conséquent, nous devons tenir des autres lois administrées par le ministère de la Justice, savoir quelles seraient les conditions intéressant un délit passible de sanction, une déclaration sommaire de culpabilité.

Autre chose, il me semble que si nous essayions de soulever ce qui pourrait peut-être être déterminé par les tribunaux comme de petites offenses, ce qui ne devrait pas comporter le maximum de la peine, et si nous essayions de nous substituer aux fonctions d'un tribunal qui, effectivement, entendrait la cause, et déterminerait quelle est la gravité de l'infraction et quelle devrait être la peine imposée, les peines que le tribunal pourrait imposer pourraient s'appliquer à tout, à partir du minimum jusqu'au maximum, quant à l'argent et quant à la sentence aussi.

Nous, nous disons quel genre d'accusations peuvent être portées et nous avons établi un maximum, ce qui est tout à fait habituel. Il n'y a rien de nouveau, ni d'anormal, à ce sujet. Je crois donc que même si nous acceptions cet amendement et que cela se limite à l'article 8, et que l'article 8 se rapporte aux règlements encore une fois, je trouve que cela serait superflu, inutile, et en fait chose autre que ce que nous faisons jusque-là dans les autres mesures législatives.

Le président: Monsieur Peters?

M. Peters: Dans le paragraphe 3 de l'article 9, le ministre nous a indiqué qu'il y a un délai ou une limite de six mois pour la déclaration sommaire de culpabilité. La déclaration sommaire de culpabilité, si j'ai bien compris, ne s'applique pas et, alors, puisque nous l'avons étendue à un an, cela s'appliquerait pendant un an et six mois.

Mr. Olson: Un total.

[Text]

Mr. Peters: Pardon?

Mr. Olson: Total.

Mr. Peters: No, it says:

(3) Any proceedings by way of summary conviction in respect of an offence under this Act may be instituted at any time within one year...

Then, under summary conviction procedure there is a six-month period.

Mr. Williams: This is one year from when the subject matter arose.

Mr. Peters: Yes, but this procedure will give you another six months, as I understand it.

Mr. Williams: I think it would be a total of one year from the time that the subject matter arose.

Mr. Peters: As I read it, you would have to lay the charge within a year.

Mr. Williams: That is correct, yes.

Mr. Peters: You then proceed with the charge and there is a limitation...

Mr. Williams: That is correct.

Mr. Peters: ...on the summary charge. This would give you an extension of time.

Mr. Williams: Partial.

Mr. Peters: It would give you quite an extension of time over the six months.

The Chairman: Gentlemen, if you are ready for the question I will read the amendment.

That Clause 9 be amended. Amend Clause 9 (1) deleting the words after the word "provision" and inserting the words "as set out under subclauses (1) and (2) of Clause 8 of this Act is guilty of"

Amendment negated.

• 1635

Mr. Danforth: Mr. Chairman, may I ask for the number of years and days on that vote?

The Chairman: Four in favour, and nine opposed.

Mr. Danforth: Mr. Chairman, I think there were more than four in favour.

The Chairman: All right, we will call the votes again. All those in favour of the amendment will please signify? I see six.

Mr. Danforth: Thank you, Mr. Chairman.

[Interpretation]

M. Peters: Pardon?

M. Olson: Un total.

M. Peters: Non, on dit:

(3) Toutes poursuites sur déclaration sommaire de culpabilité, en ce qui concerne une infraction prévue par la présente loi, peuvent être intentées à tout moment dans un délai d'un an après la date.

M. Williams: Il s'agit d'un an après que le sujet de la poursuite a été découvert.

M. Peters: Cette procédure vous donnerait six mois de plus tout de même.

M. Williams: La période totale serait d'un an.

M. Peters: Vous devriez plutôt intervenir au maximum un an plus tard.

M. Williams: C'est bien cela.

M. Peters: Vous entamez alors les procédures.

M. Williams: C'est bien cela.

M. Peters: Mais la période serait d'autant plus longue.

M. Williams: Partiellement.

M. Peters: Cela vous donnerait beaucoup plus de six mois.

Le président: Messieurs, si vous êtes prêts à vous prononcer, je vais lire l'amendement:

«Que l'article 9 soit modifié, paragraphe (1), en supprimant après l'expression «dispositions», et en insérant «tel qu'il est décrit aux paragraphes (1) et (2) de l'article 8 de la présente Loi.»

L'amendement est refusé.

M. Danforth: Est-ce que je pourrais demander le vote s'il vous plaît?

Le président: 4 en faveur et 9 contre.

M. Danforth: J'estime qu'il y en avait plus que 4 pour.

Le président: Très bien, nous allons reprendre le vote. Tous ceux qui sont en faveur de l'amendement, veuillez lever la main. Six.

M. Danforth: Merci, monsieur le président.

[Texte]

The Chairman: All those opposed to the amendment?

The Clerk: Nine.

The Chairman: I declare the amendment lost.

Clause 9 agreed to.

We will revert to Clause 1 and Mr. Lind has a question.

Mr. Lind: I want to know how many papers that they can ask for under the general rule of this inspector that comes in. How much time that he can consume of the farmer in this inspection, and how many papers that he can ask for? Because it has been my experience that they ask for more papers than they are entitled to have?

Mr. Olson: Mr. Chairman, Clause 7(1) says:

An inspector may at any reasonable time

And that, of course, has some meaning. Then it also says:

...the inspector has reason to believe will assist him in such investigation...

He would have to be prepared to substantiate his reasons for believing that he needed documents to assist him in the investigation. With those qualifications, and they are there, Mr. Lind, I do not think that that particular Clause does give any limitation. However, they must be relevant to the administration, and the last two sentences read:

relevant to the administration of this Act or the regulations

It seems to me that all of those things together put the inspector under a pretty severe limitation to have to substantiate that he did, in fact, need these things and that he did it at a reasonable time and that he had reason to believe that it would be helpful to him and that it must be relevant to the regulations for the administration of this Act. Those are the limitations that I see in reading that.

Mr. Lind: Mr. Chairman, this still gives the inspector pretty wide powers to demand to see these books, shipping bills and bills of lading at certain times, and it does not say that he will come to the farmer's place of business to see them. He can ask...

An hon. Member: He can enter any place or premises.

Mr. Lind: It says that an inspector may at any reasonable time require any person in such place or premises to produce...

[Interprétation]

Le président: Tous ceux qui s'opposent à l'amendement?

Le greffier: Neuf.

Le président: L'amendement est rejeté. L'article 9 est adopté. Et, maintenant, nous revenons à l'article 1. M. Lind a une question qu'il voulait poser.

M. Lind: Je voudrais savoir combien de documents on peut demander en vertu de la Loi? Combien de temps du cultivateur l'inspecteur peut-il prendre, et combien de documents peut-il lui demander, car d'après mon expérience on demande toujours beaucoup plus de documents qu'on n'a le droit de le faire?

M. Olson: Monsieur le président, on dit:

7. (1) Un inspecteur peut, à tout moment raisonnable,

ce qui indique tout de même quelque chose et, ensuite, on dit qu'il faut que:

l'inspecteur a des raisons de croire que cela facilitera cette enquête,

Il devrait être prêt à donner les raisons ou les motifs pour lesquels il veut ces documents qui l'aideraient dans cette enquête. Les conditions y sont M. Lind et, alors, je ne crois pas qu'il y ait de restrictions, mais il faut que les documents soient pertinents dans l'administration de la Loi, à l'application de la présente Loi ou des règlements. Et tout cela limite essentiellement l'inspecteur étant donné qu'il faudrait prouver qu'il avait vraiment besoin de ces choses, et qu'il l'avait fait à un moment raisonnable, qu'il avait lieu de croire que cela faciliterait son enquête, et il faut que cela s'applique, que cela soit pertinent à l'application de la présente Loi. Voilà les limites ou les conditions que j'y vois.

M. Lind: Cela donne encore, monsieur le président, à l'inspecteur beaucoup de pouvoirs. Supposons que l'inspecteur vienne à la ferme, il pourrait demander...

Une voix: Il peut s'introduire partout.

M. Lind: A tout moment raisonnable, il peut requérir les documents voulus, de toute personne qui se trouve dans un tel lieu ou local.

[Text]

Mr. Olson: It has just been pointed out to me, Mr. Chairman, that he can only ask them to be produced so that he can obtain copies therefrom or extracts. He has no right to take the documents away with him. I think you have to read (a) along with (b) and that is, to answer the first part of your question:

enter any place or premises in which he reasonably believes there is any agricultural product, pesticide or thing that will enable him to carry out any investigation

The Chairman: Are there further questions?

Mr. Lind: But this inspector cannot ask to take these documents away?

Mr. Olson: No.

Mr. Lind: All he can ask is to make copies of them?

Mr. Williams: I presume he can ask, Mr. Lind, but he cannot demand.

• 1640

Mr. Olson: It does not provide him with the authority to take them.

Mr. Williams: There is no authority for him to take them. The only authority provided is to allow him to take copies or extracts from these.

Mr. Lind: How many individuals know that he cannot take these away?

Mr. Olson: I think that the inspector would be well advised to make that known, because certainly any inspector who exceeded his authority would be in great difficulty, not only with the Department, but indeed with the law.

The Chairman: Mr. Gleave.

Mr. Gleave: I wanted to refer back to a question I asked at the first meeting last Tuesday. I asked if we could have information put before the Committee in due course as to how much in terms of man-hours and money is being spent by the Department of Agriculture or the Food and Drug Directorate to investigate and examine these products prior to release, how much was spent in 1965, 1966, 1967, how much is being spent in 1968, and whether we could have this information.

The Minister replied that it could be made available. Do we have that information?

Mr. Olson: Yes, Mr. Chairman. I want Mr. Gleave to know that we obtained this information and perhaps we should have brought it up sooner. I will ask Mr. Williams to

[Interpretation]

M. Olson: On vient de signaler, monsieur le président, que l'inspecteur peut seulement en demander des extraits. Il n'a pas le droit d'emporter les documents avec lui. Reportez-vous à (a) et à (b), pour avoir la réponse à la première partie de votre question:

«pénétrer en tout lieu où il estime raisonnablement qu'il y a des produits agricoles, des pesticides ou tout autre produit susceptible de l'aider dans ses recherches.»

Le président: Est-ce qu'il y a d'autres questions?

M. Lind: Cet inspecteur ne peut pas demander d'emporter les documents?

M. Olson: Non.

M. Lind: Il ne peut que les copier?

M. Williams: Tout ce qu'il peut faire c'est de demander, mais non d'exiger.

M. Olson: Il n'a pas pouvoir d'emporter les documents.

M. Williams: Il n'a pas l'autorisation de les prendre. Nous lui donnons l'autorisation de faire faire des copies, c'est tout.

M. Lind: Et combien de personnes savent qu'il ne peut pas apporter les documents avec lui.

M. Olson: Je pense que l'inspecteur serait bien avisé de communiquer cela, car tout inspecteur qui dépasse ses attributions aura des ennuis non seulement avec le ministère mais aussi avec la loi.

Le président: Monsieur Gleave.

M. Gleave: Je voudrais revenir à une question que j'ai posée à la première séance de mardi dernier. J'avais demandé si le comité pouvait être informé en temps utile sur le nombre d'heures de travail ou d'argent actuellement dépensé au sein du ministère ou au sein de la Direction des aliments et drogues pour examiner toute cette question des produits antiparasitaires, pour les années 1965, 1966, 1967. Combien a-t-on dépensé plus précisément en 1968?

Le ministre a répondu qu'on pourrait nous communiquer ces chiffres. Les avons-nous?

M. Olson: Oui, monsieur le président, je voudrais que M. Gleave sache que nous avons obtenu ces renseignements, nous aurions peut-être dû vous les communiquer plus tôt.

[Texte]

explain one or two of the charts that we have here, and perhaps they could be tabled with the Committee.

Mr. Williams: We have a large chart, Mr. Chairman, which lists the research funds and the manpower. Those are the dollars and the number of man-years devoted by Departments of Agriculture, Fisheries, Forestry, National Health and Welfare, Indian Affairs and Northern Development, National Defence, and by the National Research Council, for the years 1966-1967 and the years 1967-1968. I regret that we did not have the previous year. We were unable to obtain it, but we do have the two latest years, as I say broken down both as to dollars and man-years. It is a rather extensive table which I presume you will wish to have tabled.

There are some gaps in the information, particularly in respect of the Department of National Defence and the National Research Council.

Mr. Peters: Could I ask for clarification of what a man-year is? Two thousand hours, twenty-two hundred hours?

Mr. Williams: Twenty-two hundred and some odd hours, I believe. It is 52 weeks times 37½ hours, insofar as the Public Service is concerned, whatever the product of that is.

In addition to that we have an estimate made of the expenditure of the Canadian pesticide industry on research, and we have another document that gives the estimated expenditure by titles within the Canada Department of Agriculture, Research Branch, namely on research other than product-testing and on product-testing itself. I believe you asked for a breakdown along those lines along with the total, and this is in both dollars and in man-years.

The Chairman: Gentlemen, would there be agreement—I think it is not sufficient to have these tabled—would there be agreement to have this information printed in our evidence and proceedings.

Some hon. Members: Agreed.

The Chairman: Agreed.

Mr. Gleave: Might I ask—we have not had this read before us—if in the opinion of the Deputy Minister or Mr. Phillips there are adequate amounts being spent here and time spent to ensure that we know that what is being distributed is safe to use and safe for distribution.

[Interprétation]

Je vais demander à M. Williams d'expliquer un ou deux des graphiques que nous avons. Peut-être devrions-nous les déposer au Comité.

M. Williams: Nous avons un grand graphique qui montre les dollars et le nombre d'hommes-heures de travail consacrés par l'Agriculture, les Pêcheries, le ministère des Forêts, la Santé nationale et le Bien-être social, les Affaires indiennes et le Nord canadien, la Défense nationale et le Conseil national des recherches pour les années 1966-1967 et 1967-1968. Je regrette que nous n'ayons pas les chiffres des autres années; nous n'avons pu obtenir ces chiffres, mais nous avons ceux des deux dernières années, en dollars et en hommes-heures.

C'est un tableau assez long. Il y a des lacunes ici et là, notamment en ce qui concerne la Défense nationale et le Conseil national des recherches.

M. Peters: Est-ce que vous voulez expliquer ce qu'est une année-homme de travail?

M. Williams: 52 semaines à 7½ heures par jour. Je ne sais pas ce que cela donne au total.

En outre, nous avons fait le calcul des dépenses de l'industrie canadienne des produits antiparasitaires pour la recherche, et d'autres documents montrent les dépenses effectivement employées, par titre, à l'intérieur de la Direction de la recherche du ministère de l'Agriculture, recherches autres que les épreuves de produits et les effets des produits. Il y a ici un total indiqué en années-hommes de travail et en dollars.

Le président: Il ne suffit pas qu'on dépose ces graphiques. Voit-on un inconvénient à ce que ces documents soient imprimés en annexe à notre compte rendu?

Des voix: Entendu.

Le président: Adopté.

M. Gleave: Personne ne nous en a donné lecture jusqu'ici. Mais le sous-ministre, ou M. Phillips, pense-t-il que cela est assez; est-ce qu'on dépense assez d'argent pour que nous sachions à quoi nous en tenir? Est-ce que la distribution, est-ce que les précautions sont suffisantes?

[Text]

Mr. Olson: Mr. Chairman, I do not think it is fair to ask the opinion of the officers in the Department on what is adequate. We will give you the figures and you can decide yourself whether it is adequate. On pesticides the Department of Agriculture through its Research Branch spent on research other than product testing \$2,730,000 and 91 man-years.

On product testing the Department's Research Branch spent \$750,000 and 25 man-years, for a total of \$3,480,000 insofar as dollar expenditure is concerned, and a total of 116 man-years.

• 1645

Clause 1 agreed to.

Title carried.

Bill carried.

The Chairman: Shall I report the bill without amendment?

Some hon. Members: Agreed.

The Chairman: Gentlemen, I would direct your attention to Bill C-154. Shall I read you the title of the bill first? The long title is:

An Act to prevent the introduction or spreading of pests injurious to plants.

and the short title is:

1. This Act may be cited as the *Plant Quarantine Act*.

Your question was, Mr. Pringle?

Mr. Pringle: My question was not relevant to the title. I was asking, in view of the fact that we are meeting again tonight, have you established an adjournment hour for this afternoon? Just for my own information, Mr. Chairman.

Mr. Barrett: I asked the same question. I am glad you brought it up. He completely ignored me. I hope he does not completely ignore you.

The Chairman: If it meets with the approval of the Committee, I would suggest 5.30. Agreed?

Mr. Barrett: No, opposed.

The Chairman: Gentlemen, I would direct your attention to clause 2 of Bill C-154. Are there any question on clause 2?

Mr. Olson: Mr. Chairman, it might be helpful if I made a brief introductory statement.

The Chairman: I recognize the Minister.

[Interpretation]

M. Olson: Je ne pense pas qu'on puisse demander à des fonctionnaires du ministère s'ils pensent que ce chiffre est suffisant ou pas. Nous vous donnerons les chiffres, et vous pouvez décider vous-mêmes si ces chiffres sont suffisants ou non. Pour les pesticides, le ministère de l'Agriculture a dépensé, par l'intermédiaire de sa Direction de la recherche \$2,730,000 et 91 années-hommes de travail pour les essais de produits. La Direction de la recherche du ministère a dépensé \$750,000 et vingt-cinq années-hommes de travail, soit un total de \$3,480,000 et 116 années-hommes de travail.

L'article 1 est adopté.

Le titre est adopté.

Le Bill est adopté.

Le président: Dois-je faire rapport du bill sans amendement?

Des voix: Etendu.

Le président: Nous allons maintenant passer au bill C-154. Est-ce que je vais vous donner lecture du titre du bill pour commencer? Voici:

Loi ayant pour objet d'empêcher l'introduction ou la propagation de parasites nuisibles aux plantes

Le titre abrégé est: «Loi sur la quarantaine des plantes».

M. Pringle: Ma question n'a pas rapport au titre. Je veux demander: vu que nous nous réunissons de nouveau ce soir, avons-nous fixé l'heure d'ajournement pour cet après-midi?

M. Barrett: J'ai posé la même question et le président m'a oublié. J'espère qu'il ne vous oubliera pas.

Le président: Si le Comité n'y voit pas d'inconvénient, je vous propose 5 heures et demie. Nous sommes d'accord?

M. Barrett: Je ne suis pas d'accord.

Le président: Je vous signale l'article 2 du bill C-154. Est-ce qu'il y a des questions au sujet de cet article 2?

M. Olson: Est-ce qu'on peut faire une petite déclaration pour commencer?

Le président: Je donne la parole au ministre.

[Texte]

Mr. Olson: Mr. Chairman, there are some major changes that I will explain in the legislation, but this bill, Bill C-154, short title the *Plant Quarantine Act*, will be supplanting or substituting for Chapter 81, which was An Act to Prevent the Introduction or Spreading of Insects, Pests and Diseases Destructive to Vegetation", or as the short title reads, the *Destructive Insect and Pest Act*. Dated 1910.

The main changes are as follows. Number one, provision is made for the introduction of improved plant quarantine methods and disinfection techniques. Number two, authority is provided to regulate the introduction and movement within Canada of plants and other matter which, while not infested in themselves, constitute a biological obstacle to the effective control of plant pests and diseases.

Thirdly, the authority to restrict from general or specific agricultural use properties or premises which are infested or suspected to be infested as a measure to prevent or control the dissemination of injurious plant pests and diseases.

Fourthly, a provision for the establishment of plant health and crop certification standards for plants or other matter that are to be exported or transported from one area to another within Canada.

Fifthly, authority to establish by Governor in Council the maximum amounts of compensation to be paid for plants or other matter destroyed or restricted from sale under the regulations, or where the use of property or premises is restricted in the interests of plant pest control.

Sixth, provision has been made for an appeal procedure whereby individuals may appeal the amount of compensation awarded under the authority of the bill.

Seven, the authority to establish a fee structure for inspection, quarantine or treatment of plants or other matter carried out under the bill.

Eight, the name of the bill has been changed, as we have explained, from the *Destructive Insect and Pest Act* to the *Plant Quarantine Act*, a name considered to be more descriptive of the authority provided.

The Chairman: Thank you, Mr. Olson. Before we start our questioning on Bill C-154, may I extend an invitation to all members of the Committee and our supporting personnel to join me in my office at 5.30, 247 West Block, for a social break.

Some hon. Members: Thank you.

[Interprétation]

M. Olson: Vous savez qu'il y a de grands changements à la loi, que je vais expliquer, mais le Bill C-154,

Loi sur la quarantaine des plantes. sera substitué au chapitre 81, «Loi ayant pour objet d'empêcher l'introduction ou la propagation d'insectes, de parasites et de maladies nocifs pour la végétation», ou, en abrégé, «Loi sur les insectes destructeurs et les ennemis des plantes», loi de 1910.

Voici les grands changements: premièrement, on prévoit l'introduction de nouvelles méthodes de quarantaine et de désinfection. Deuxièmement, l'autorisation est donnée pour réglementer l'introduction et les déplacements au Canada des plantes et d'autres matières qui, bien qu'elles ne sont pas infestées en elles-mêmes, n'en constituent pas moins un obstacle biologique au contrôle efficace des insectes ou parasites nuisibles aux plantes.

Troisièmement, l'autorisation de retirer de l'usage agricole normal des lots ou propriétés infestés ou qu'on soupçonne être infestés. Quatrièmement, disposition visant l'établissement de normes de certification pour les plantes et autres matières qui peuvent être exportées ou transportées d'une région à une autre, au Canada. Cinquièmement, l'autorisation d'établir, au nom du Gouverneur en Conseil, l'indemnité maximum versée au titre de la destruction des plantes ou de leur restriction aux termes des règlements en ce qui concerne la vente ou dans l'intérêt du contrôle des parasites ou des insectes nuisibles.

Sixièmement, il est prévu une procédure d'appel aux termes de laquelle les particuliers peuvent interjeter appel s'ils ne sont pas satisfaits de l'indemnité votée d'après la loi.

Septièmement, tarifs pour l'inspection, la quarantaine ou le traitement des plantes ou autres matières prévues dans le bill.

Huitièmement, on a changé le nom de la loi, nous l'avons expliqué. Elle ne s'appelle plus «Loi sur les insectes destructeurs et les ennemis des plantes», on l'appelle désormais: «Loi sur la quarantaine des plantes», appellation qu'on trouve plus juste.

Le président: Avant que nous commençons à poser des questions sur le bill C-154, me sera-t-il permis d'inviter tous les membres du Comité et du personnel de soutien à venir à mon bureau à 5 heures et demie, pièce 247 de l'Édifice de l'Ouest pour une petite réception.

Des voix: Merci.

[Text]

The Chairman: Are there questions on clause 2? Mr. Douglas?

• 1650

Mr. Douglas: Mr. Chairman, I just wondered about the other Act that this is supplanting. There is nothing that I can see in the preamble at least which indicates that this is replacing the other Act, or changing the name of the other Act, or repealing the other Act.

Mr. Olson: Clause 14 says that.

Mr. Douglas: Away back at the end?

Mr. Olson: The Destructive Insect and Pest Act is repealed.

Mr. Douglas: That is all right.

On clause 2—*Definitions*

Clause 2 agreed to.

On clause 3—*Prohibition*

The Chairman: Are there questions?

Mr. Danforth: I want to ask, Mr. Chairman, why it says:

Except as provided by this Act and the regulations...

Does this mean the regulations as included in this Act, and if so, why was it stated in this fashion?

The Chairman: Mr. Williams?

Mr. Williams: You may recall that this morning I specified, or at least in reply to a question as to whether these matters applied to government institutions as well as to the general public, I indicated that there were provisions whereby material that would normally be excluded might be allowed in under permit. This is part of the reason why that first section is put in, to allow regulations to be established whereby material that normally might be excluded would be allowed in under permit for special purposes.

The Chairman: Mr. Douglas?

Mr. Douglas: I was wondering why there is this word "from" in the fourth line of clause 3. Why should we concern ourselves about whether or not this stuff is carried from Canada. I think we should be concerned about it, but why should it be in this bill?

Mr. Williams: Mr. Chairman, this is to provide authority to allow us to exercise the agreements that we have entered into under

[Interpretation]

Le président: Y a-t-il des questions sur l'article 2? Monsieur Douglas?

M. Douglas: Je me demandais, monsieur le président, au sujet de l'autre loi, je ne vois absolument rien dans le préambule, au moins, qui indique que cela remplace l'autre loi, qu'on abrège ou qu'on change le nom même.

M. Olson: L'article 14 dit que...

M. Douglas: A la fin?

M. Olson: La Loi sur les insectes destructeurs et les ennemis des plantes est abrogée.

M. Douglas: En effet.

L'article 2: *Définitions*.

L'article 2 est adopté.

L'article 3: *Interdiction*.

Le président: Y a-t-il des questions à poser?

M. Danforth: Pourquoi est-ce qu'on dit:

Sauf les exceptions prévues par la présente loi et par les règlements...

Est-ce que les règlements sont édictés en vertu de la loi et pourquoi alors les a-t-on insérés de cette façon-ci?

Le président: M. Williams?

M. Williams: Ce matin, si vous vous souvenez bien, je l'ai indiqué en réponse à une question, lorsque ces questions se posaient vis-à-vis des instructions du gouvernement ainsi que du public dans son ensemble. Des matières qui seraient normalement exclues pourraient être importées sous permis. C'est une des raisons pour lesquelles nous insérons cette première partie. Pour que nous puissions établir des règlements prévoyant que les matières qui, normalement, seraient exclues, pourraient être importées à des fins spéciales grâce à un permis.

Le président: Monsieur Douglas?

M. Douglas: Je me demandais pourquoi on dit:

au Canada ou hors du Canada

à la quatrième ligne de l'article 3. Pourquoi nous inquiéter de ce que ces matières sont transportées ou non hors du Canada? Je trouve que nous devrions peut-être nous en préoccuper, mais pourquoi l'insérer dans la Loi?

M. Williams: C'est pour nous donner l'autorité de nous acquitter des accords en vertu de l'accord international sur la protection des

[Texte]

what is known as the International Plant Protection Convention, which is an international agreement to which Canada is signatory, under which we enter into agreements with certain countries that we will certify material for export and in turn they provide reciprocal services for us. It is a mutual protection type of arrangement.

Mr. Douglas: That answer is satisfactory, Mr. Chairman.

Clause 3 agreed to

The Chairman: I direct your attention to clause 4. It is a lengthy one; I will not attempt to read it. Are there questions. Mr. Danforth?

Mr. Danforth: Mr. Chairman, I note that most of these regulations as prescribed are what one would normally expect to find under the provisions of this particular bill, but may I ask if there are, or may be made, regulations by the Governor in Council pertaining to a particular area which may be a plot or a property in which a pest may be found which might be detrimental and may spread.

For example, I am thinking of maybe just a real estate development, a farm that is subject to land-holding or something, and it may be found that there are or there could be a spread of nematode, for an example, that could be spread from this particular property. Are there provisions under this bill that the Governor in Council may require a person or persons to take the necessary precautions? Or under this bill can the administration perform these services which are deemed to be necessary and levy a fee against the owners in question?

Mr. Williams: I believe, Mr. Chairman, that the Act provides for all those authorities, if necessary. For example, the use of the land can be restricted under (g) of Clause 4.

Mr. Danforth: Pardon me. Restricted in which way?

• 1655

Mr. Williams: In terms of agricultural use. In other words, let us take your example of the nematodes. The golden nematode can only reproduce if certain host crops are grown on the land. It might be wise, therefore, under certain circumstances to say that these host crops could not be grown on nematode-infested land in order to speed up the clearance of the land.

Mr. Danforth: My proposition is that in using nematode as an example we know it is

[Interprétation]

plantes. Un accord international signé par le Canada, par lequel nous assurons certains pays que nous allons certifier certains produits pour l'exportation et eux font la même chose. C'est pour la protection réciproque des pays.

M. Douglas: La réponse est satisfaisante, monsieur le président.

L'article 3 est adopté.

Le président: L'article 4 maintenant. Il est très long, je n'essaiera pas de vous le lire. Y a-t-il des questions à poser? Monsieur Danforth?

M. Danforth: Monsieur le président, je constate que la plupart de ces règlements sont ce que nous pourrions peut-être nous attendre de trouver en vertu des dispositions d'une loi de ce genre. Est-ce que je peux demander s'il pourrait y avoir des règlements établis par le gouverneur en conseil relatifs à une région ou à une superficie particulière, une parcelle de terrain ou une propriété on trouverait un parasite et qui pourrait être nocif; il pourrait se propager.

Je songe, par exemple, à un lotissement ou à une ferme que l'on garderait en réserve pour le lotissement et où l'on pourrait trouver la propagation de certains parasites; y a-t-il des dispositions, en vertu de cette Loi, prévoyant que le gouverneur en conseil puisse exiger que la personne ou les personnes prennent les précautions voulues? Ou en vertu des dispositions de cette loi, est-ce que l'administration pourrait accomplir ces services nécessaires et ensuite en imputer les frais au propriétaire en question?

M. Williams: Je crois, monsieur le président, que la loi prévoit tous ces pouvoirs au besoin, que l'emploi ou l'usage de la terre peut être restreint en vertu du paragraphe g, de l'article 4.

M. Danforth: Restreint dans quel sens?

M. Williams: En ce qui concerne l'emploi aux fins de l'agriculture. Prenons par exemple, votre exemple des nématodes. Le nématode doré ne peut se propager que grâce à des plantes les favorisant. Il serait peut-être bon, dans certains cas, de dire que ces récoltes ne peuvent pas être cultivées dans des terres infestées de nématodes. Afin d'aider à débarrasser le sol de ce parasite.

M. Danforth: En employant l'exemple du nématode, nous savons qu'il est possible que

[Text]

possible for nematode to be spread by anyone walking across a lot where there is a nematode infestation. My questions are pertaining to land that would not normally be used for agriculture, but which is being held for buildings or land speculation or something of this nature. I am just wondering where the onus is. Certainly the land developer would have no incentive to provide the necessary precautions or the clean-up of the weeds or whatever would be necessary. What position is the Department in under this Act?

Mr. Williams: I believe Clause 8 provides the authority necessary in that under that Clause the Minister, if he believes that there is any pest in any area, may:

... order prohibit or restrict the transportation into or from that area or the movement therein of any plant or other matter that, in his opinion, is likely to result in the spread of such pest.

Mr. Danforth: You cannot take into or take out of, but...

Mr. Williams: And you are not allowed to move it within the area. The Minister can prohibit the movement within it, or the movement therein. For example soil: if there were to be a development in a non-agricultural area, but for example still had a nematode pest in it, under this Clause the Minister could prohibit the movement of soil from that area to another area, or the movement within the area of soil.

The Chairman: Mr. Pringle.

Mr. Pringle: I am interested in the airborne transmission of seeds or plant life which would be considered pests. Is there a weed control act that would take care of that so that airborne transmission, or transfer, whatever you like, would be controlled? I realize that it could not be moved, but how do you regulate the wind?

Mr. Williams: I suppose that we always have to deal with what it is possible to do, and certainly we cannot have the Minister issue an order that the wind cease to blow. We would have to deal with the case as it arose. For example, it might be necessary to kill all the vegetation on the land in order to prevent the wind spreading certain plant elements, or it might be necessary to completely bury it by deep ploughing. I do not know. It would depend upon the circumstances.

Mr. Pringle: Mr. Chairman, thank you very much.

[Interpretation]

quelqu'un traversant un champ infesté de nématodes pourrait propager l'épidémie. Mais, je parlais de terres qui ne sont pas utilisées aux fins agricoles et qui sont gardées en réserve aux fins de lotissements, de spéculation ou quelque chose de ce genre. De qui relève la responsabilité dans ce cas-là? La personne faisant le lotissement n'aurait certainement pas d'intérêt à nettoyer ses terrains. Et, alors, quelle est l'attitude du ministère, en vertu de cette loi?

M. Williams: Je crois que l'article 8 prévoit l'autorisation voulue, dans ce sens que le ministre, s'il a des raisons de croire à la présence d'un parasite dans une région délimitée

peut, par ordonnance, interdire ou restreindre, pour cette région, l'entrée ou la sortie ou le mouvement intérieur de toute plante ou autres matières qui, à son avis, entraînerait probablement la propagation de ce parasite.

M. Danforth: Il n'y a pas moyen d'entrer ou de sortir.

M. Williams: Oui, mais on peut aussi interdire le mouvement intérieur. Par exemple, la terre; s'il y a un lotissement dans une région non agricole mais où l'on trouve le parasite nématode. En vertu de cette disposition, le ministre pourrait empêcher le transport de terre à l'intérieur même de ce terrain ou de ce terrain à un autre terrain.

Le président: Monsieur Pringle.

M. Pringle: Je me demande ce qui en est au sujet de la propagation aérienne, de semences ou de parasites. Existe-t-il une loi qui empêcherait ce genre de propagation aérienne, ou, si vous aimez mieux, ce transfert aérien? Je comprends qu'on ne pourrait pas le transporter délibérément mais comment allez-vous contrôler le vent, tout de même?

M. Williams: Je suppose qu'il faut toujours parler de ce qu'il est possible de faire, monsieur le président. Nous ne pouvons certainement pas demander au ministre d'ordonner que le vent cesse de souffler. Il faudrait que nous étudions le cas s'il se présentait. Par exemple, il serait peut-être nécessaire d'éliminer toutes les plantes pour empêcher la propagation des parasites et de certains éléments de plantes par le vent. Il serait peut-être nécessaire aussi de les enterrer complètement par un profond labourage. Je ne sais pas, cela dépendrait des circonstances.

M. Pringle: Merci beaucoup, monsieur le président.

[Texte]

Mr. Olson: At Clause 4 (c) you will see that it takes care of the treatment deemed necessary which will be prescribed by regulations.

Clause 4 agreed to.

On Clause 5—*Inspectors*

Mr. Danforth: May I ask if the explanation given under Bill No. C-155 is applicable to Bill No. C-154 where we were informed that this means that the Minister may designate any qualified person from the departments, say plant pathology or department of entomology, or any qualified technician who may be involved in this inspection. Is my understanding correct under this term?

The Chairman: Mr. Phillips.

Mr. Phillips: Mr. Chairman, this provides for the designation of qualified people. It does not provide for the hiring of staff. The staff would have to be hired under the Public Service Employment Act. This just provides authority for the Minister to designate these qualified people. We would use the types you indicated, Mr. Danforth, and on occasion provincial inspectors are used and designated under this legislation to assist in the work.

Clauses 5 and 6 agreed to.

• 1700

On Clause 7—*Obstruction of inspector*

The Chairman: Mr. McKinley.

Mr. McKinley: Mr. Chairman, what about a person engaged in experimental work in the growing of seed and grain. Would he be allowed to move samples from one of his own farms to another farm?

Mr. Williams: Mr. Chairman, if it was a prohibited material or a prohibited plant, he would not be allowed to move it other than under permit.

Mr. McKinley: Perhaps I did not make myself clear. What if he moved this from one farm to another and both farms were his?

Mr. Williams: This would doubtless be specified in the permit that he was given to start with, as to what geographical locations the permit applied to.

Mr. McKinley: He would have to apply and receive a permit?

Mr. Williams: That is correct, yes.

Mr. Olson: To have a product in the first instance that was prohibited generally, as Mr. Williams has pointed out, if he were to move

[Interprétation]

M. Olson: Et à l'article 4 (c) vous verrez que l'on prend soin du traitement nécessaire qui peut être prescrit par un règlement.

L'article 4 est adopté.

Article 5—*Inspecteurs*.

M. Danforth: Monsieur le président, puis-je demander si l'explication donnée pour le Bill C-155 s'applique aussi au Bill C-154, parce que, on nous avait dit que le ministre pouvait nommer toute personne compétente faisant partie du ministère, de la pathologie des plantes, la direction de l'entomologie ou toute autre section, si j'ai bien compris.

Le président: Monsieur Phillips.

M. Phillips: Monsieur le président, cette disposition prévoit que le ministre désigne une personne compétente et non pas l'engagement de personnel. Le personnel devra être engagé en vertu de la *Loi sur la Fonction publique du Canada*. Cela donne tout simplement l'autorisation au ministre de nommer ces personnes compétentes. Et, nous emploierions ceux que vous avez désigné et en plus, des inspecteurs provinciaux qui seraient désignés, en vertu de la présente loi, pour effectuer le travail.

Les articles 5 et 6 sont adoptés.

Article 7—*Obstruction faite à l'inspecteur*.

Le président: Monsieur McKinley.

M. McKinley: Et que dire d'une personne qui ferait des expérimentations pour la culture de certains grains ou de certaines plantes. Aurait-elle le droit de transporter des échantillons de sa propre ferme à une autre?

M. Williams: S'il s'agit d'une matière ou d'une plante interdite, il n'aurait pas, il ne pourrait pas le faire sauf s'il a un permis.

M. McKinley: Je me suis mal exprimé, je veux dire s'il va d'une de ses fermes à l'autre.

M. Williams: Cela serait sans aucun doute déterminé par le permis qui lui a été remis qui comprend aussi le lieu géographique auquel s'applique le permis.

M. McKinley: Il doit demander un permis.

M. Williams: C'est exact.

M. Olson: S'il avait d'abord un produit qui serait interdit d'une façon générale, s'il devait déplacer ce produit du premier lieu à un

[Text]

it from the location that was in the first permit, of course that would be an extension of what was in the permit, if it were not already laid down.

The Chairman: Mr. Douglas.

Mr. Douglas: What is the reason for the different wording in these almost identical clauses? I am comparing Clause 8(2) of Bill No. C-155 with Clause 7(2) in this Bill, where in Bill No. C-155 it reads:

No person shall knowingly make a false or misleading statement...

and in Bill No. C-154, Clause 7(2) the word "knowingly" is omitted. Subclause (2) of Clause 7 is much shorter than subclause (2) of Clause 8 in Bill No. C-155. What is the explanation for drafting two things, which I presume are supposed to give the same powers, in such a different way?

The Chairman: One was written on Monday and the other was written on Friday.

Mr. Douglas: They were getting tired.

An hon. Member: I suggest that the word "knowingly" ought to be in there.

Mr. Newman: Perhaps so. I think this might have been an omission by the draftsmen. The word "knowingly" connotes the idea of *mens rea* which is a term well known in criminal law. Without the word "knowingly" a person could well be convicted even if he did not have the required guilty intent.

The Chairman: It would then read, "No person shall knowingly make a false . . ." Would someone care to move an amendment?

Mr. Douglas: I so move.

The Chairman: Are you ready for the question? All those in favour of the insertion?

Clause 7 as amended agreed to.

Clause 8 agreed to.

On Clause 9—*Seizure*

Mr. Peters: I take the same objection on Clause 9 as I did on the previous one that it appears we are giving too much power to the inspector without any limitations. The normal protection of the Bill of Rights does not appear to apply.

The Chairman: Are there any comments?

[Interpretation]

autre, ce serait sans doute, c'était une extension, un prolongement de la portée du permis qu'il avait déjà.

Le président: Monsieur Douglas.

M. Douglas: Je me demande pourquoi le libellé est différent alors qu'on a des articles presque identiques, si l'on revient à l'article 8 (2) du Bill C-155 pour le comparer à 7 (2) dans cette section. On dit dans le Bill 155:

Nul ne doit gêner ou empêcher sciemment...

Ici, dans l'article 7, on a enlevé le mot sciemment. Je me demande pourquoi on n'a pas retenu le mot sciemment dans le Bill 154. Je me demande pourquoi on emploie un libellé différent puisqu'on veut donner des pouvoirs à peu près semblables dans les deux cas.

Le président: Je crois qu'un projet de loi a été rédigé le lundi, l'autre a été rédigé vendredi.

M. Douglas: Ils commençaient à être fatigués.

Une voix: Il me semble que le mot «sciemment» devrait être présent.

M. Newman: Je crois que c'est sans doute une omission, une erreur, il faudrait que le mot sciemment y soit ajouté. Le mot sciemment donne l'idée de la connaissance réelle en droit criminel. Sans le mot sciemment, si quelqu'un n'a pas fait quelque chose sciemment il ne pourrait difficilement être trouvé coupable.

Le président: Par conséquent, on devra lire:—nul de doit sciemment... Il me faut une proposition en conséquence.

M. Douglas: J'en fais la proposition.

Le président: Êtes-vous prêts à passer à la mise aux voix? Ceux qui sont en faveur de l'insertion?

L'article 7 modifié est adopté.

L'article 8 est adopté.

Article 9—*Saisie*.

M. Peters: Je m'objecte de la même façon à l'article 9, que je l'ai fait lors de la loi précédente. Il me semble que l'on donne trop de pouvoir aux inspecteurs sans mettre de limites précises. La protection normale des Droits de l'Homme ne semble pas s'y prêter.

Le président: Y a-t-il quelques commentaires là-dessus?

[Texte]

Mr. Williams: Clause 9(2)(c) does place some limitations on this seizure in other words, if he does seize material, he has to take action within a certain time or else release it from detention.

• 1705

Mr. Danforth: Mr. Chairman, in regard to this 90 day limitation some goods would be absolutely valueless after 90 days.

Mr. Williams: Mr. Chairman, that is why, of course, there are provisions, for the payment of compensation in this Bill.

Mr. Olson: That is something we did not have before this.

The Chairman: Are there further questions? Mr. Douglas.

Mr. Douglas: Is there not quite an essential difference between this Bill and the other one? In the other Bill the prime mover would be the Food and Drug Directorate and here the impetus for this whole thing is completely within the Department.

Mr. Williams: That is correct, Mr. Chairman. The like authority is provided for seizure and detention under the Food and Drugs Act as it relates to the compensation bill, the bill that we have just dealt with.

The Chairman: Are there further questions?

Clause 9 agreed to.

On Clause 10—*Punishment*

The Chairman: Are there any questions? Mr. Danforth.

Mr. Danforth: Clause 10 almost resembles the proposed amendment that I made under Bill No. C-155 and I see it is accorded to this Clause. Why the difference?

Mr. Williams: I think the difference here, Mr. Danforth, is that it covers generally the violation of any provision of this Bill, but it does add to it any order made under Clause 8 which deals with the question that you raised about how to control the movement from, within and to particular areas. It gives that order of the Minister in this specific case particular authority to control people who might wish to, in essence, break a special quarantine area laid down by the Minister.

The Chairman: Are there further questions?

[Interprétation]

M. Williams: Je crois que si vous voyez la teneur de l'article 9, dans le contexte de 9 (2) C, qui impose certaines limitations quant à la saisie, l'inspecteur doit agir à l'intérieur d'un certain laps de temps ou alors lever la saisie.

M. Danforth: Il y a une limite de 90 jours pour la saisie de certains produits, c'est-à-dire que ces produits peuvent être sans valeur après cette date.

M. Williams: C'est la raison pour laquelle, monsieur le président, il y a des dispositions pour le paiement d'indemnités, dans le cadre de cette loi.

M. Olson: C'est une disposition que nous n'avions pas auparavant.

Le président: Y a-t-il d'autres questions? Monsieur Douglas.

M. Douglas: Y a-t-il vraiment une différence essentielle entre cette loi et la précédente? Dans l'autre loi, le principal intéressé était le Directeur des aliments et des drogues, tandis qu'ici, l'intéressé est le ministère même.

M. Williams: C'est exact, M. le président. L'autorité des saisies relève de la Loi sur les aliments et les drogues, comme dans le cas du bill sur l'indemnisation que nous venons d'examiner.

Le président: Y a-t-il d'autres questions?

L'article 9 est adopté.

Article 10—Peine.

Le président: D'autres questions? Monsieur Danforth?

M. Danforth: L'article 10 ressemble de façon presque analogue à la modification que j'avais proposée au terme de l'article 1, du Bill C-155. Je me demande pourquoi cette différence?

M. Williams: Je crois que cette fois-ci, il s'agit d'une disposition générale, qui veut que, outre les délits à tout article de cette loi, on ajoute à n'importe quel règlement découlant de l'article 8, qui traitait justement de la question que vous avez soulevée concernant le contrôle du mouvement de et vers, ou en dehors, de certaines régions. Par conséquent, lorsqu'on donne au ministre l'autorité de contrôler le mouvement de certaines personnes qui voudraient intervenir ou traverser une zone mise en quarantaine.

Le président: D'autres questions?

[Text]

Mr. Danforth: Yes, Mr. Chairman. This brings up the whole point that I raised before. I appreciate the explanation that has just been given, but it states right here:

...fails to comply with or violates any provision of this Act or the regulations... then it states:

...the regulations or any order made by the Minister under section 8...

Is it necessary to designate a section?

It states: "Any provision of this Act."

Mr. Olson: I am not sure that we need the words "or the regulations" in there; that may be redundant. However, as has been pointed out there is a significant difference here with respect to the order that may be given with respect to designating a quarantine area where there was no similar provision in the other Bill. The order would not be, as I understand it, part of the Act nor part of the regulations, and therefore it is pointed out. I think the words "or the regulations" may be redundant.

Mr. Danforth: Mr. Chairman, I will just make this observation and then I will leave the matter. Under the Punishment Clause in the previous Bill and in this Bill it states that anyone is liable under this Act who violates any provision. I interpret that to mean the provisions or regulations as will be set out in the administration of this Act. That was my whole point in trying to limit it in the previous Bill. Now we see the same provision here with an addition.

Using the Minister's words I think it is completely redundant when it points out a specific clause or a specific section and puts particular emphasis on it. I have no fault to find with that emphasis on that particular Clause because I am in accord with it, but it just seems to me that the two are not set out in the same fashion as was indicated earlier.

• 1710

Mr. Williams: I do not think I could argue, Mr. Chairman, as to whether or not this is a legal requirement. I believe that the intent is to make quite certain that the ministerial order that covered a reasonable belief could be accorded the same penalties as an actual provision of the act, and I think it was put in

[Interpretation]

M. Danforth: Cela soulève tout le point que j'avais soulevé auparavant. J'apprécie fort l'explication que M. Williams vient de nous donner, mais on dit, en toutes lettres ici:

Toute personne qui viole n'importe quelle disposition de la loi ou les règlements.

puis:

...Les règlements établis par le ministre en vertu de l'article 8.

Est-il nécessaire de désigner un article en particulier?

Il est écrit: toutes dispositions de cette loi.

M. Olson: J'ignore si nous avons besoin du mot «règlement», mais il y a sûrement une différence considérable dans ce cas-ci quant à l'ordonnance qui pourrait être donnée lorsqu'un inspecteur désigne une région de quarantaine. Car il n'y avait pas de dispositions analogues dans la loi précédente. Sauf erreur, l'ordonnance ne ferait pas partie de la loi, ni des règlements. Par conséquent, il me semble que les mots «ou le règlement» peut être redondant.

M. Danforth: Je vais simplement faire cette observation et je vais laisser tomber la question. Mais, il me semble qu'au terme de l'article sur les peines et infractions dans les lois précédentes et dans cette loi-ci, lorsqu'on déclare que: toute personne est passible de condamnation au terme de la loi, si elle viole n'importe quelle disposition.

D'après mon interprétation, cela signifie: les règlements ou les dispositions seront établis dans l'application de la loi. C'est la raison pour laquelle j'essayais de limiter cela dans la loi précédente. Maintenant, nous voyons la même disposition avec, en plus de cela, une addition. Selon les mots du ministre, il est tout à fait redondant. Lorsqu'on désigne un article particulier, on met l'accent sur cet article. Je ne vois pas pourquoi on ne le ferait pas. Cet article correspond à mon précédent mais il me semble que les deux ne sont pas explicités de la même façon qu'on l'a indiqué plus tôt.

M. Williams: Je ne pense pas que je puisse trouver ou non qu'il s'agit là d'une exigence vitale, d'ordre juridique. Il s'agissait plutôt de s'assurer que l'ordonnance ministérielle pourrait recevoir les mêmes sanctions, les mêmes peines qu'une disposition de la loi. Je crois que c'est la raison pour laquelle il l'a explici-

[Texte]

there to make it absolutely clear because there is some difference in respect of that Clause 8.

I think if one reads it carefully it gives the Minister powers, where he has a reasonable belief that this pest may exist, to put out a ministerial order restricting taking certain action against people who might wish, as I said, earlier, to move soil and so forth. I think it was simply to ensure that this was accorded the same maximum penalties as were actual offences against the act itself but I am not commenting on whether it is legally absolutely necessary or not.

Mr. Gleave: Mr. Chairman, how does it happen that the two years maximum is the magical word here? It seems to keep recurring. Why is this the penalty decided in all these cases whether you decide to use chemical poison or play around with some plants that you should not be playing around with?

Mr. Newman: Perhaps I might make one comment. Two years has importance with respect to where the term of imprisonment is to be served in case the maximum penalty is imposed. If there is a penalty of two years imprisonment, that means the person may serve his term in a federal penitentiary. If it is for less than two years, he is not eligible for a holiday at federal government expense.

Mr. Gleave: So you want to raise him to the proper status, do you? Well, I do not find it very funny to put two years in an act so a man can get to the penitentiary instead of sitting in an ordinary jail.

Mr. Olson: Well, Mr. Chairman, I do not think anyone here finds it very funny to write law so that the intent of that law is, in fact, enforceable. There is nothing funny about it in my opinion, either, but it is one of the obligations that lawmakers have.

Mr. Gleave: Yes, but I still do not follow, Mr. Chairman. If my remarks were discourteous I—

Mr. Olson: They were not.

Mr. Gleave: I think there ought to be a better reason than this to decide to put two years in an act. That is all. A judge on a bench at any time in making a decision as to sentencing someone is deciding on the gravity

[Interprétation]

tée, car il y a peut-être quelques différences en ce qui a trait à l'article 8.

Si vous lisez attentivement l'article 8, on donne certains pouvoirs au ministre, lorsqu'il a des convictions raisonnables que le parasite existe, pour émettre une ordonnance ministérielle ou prendre certaines mesures contre ceux qui voudraient faire ceci ou cela, simplement pour assurer que cela soit, ait la même sanction maximum.

M. Gleave: Monsieur le président, comment se fait-il qu'un maximum de deux ans devient le mot magique ici? Est-ce que ça va être deux ans continuellement, non pas le maximum, on dit simplement deux ans, comment se fait-il que ce soit là la sanction qui a été arrêtée dans tous les cas, qu'on utilise des poisons chimiques ou qu'on joue avec certains produits dangereux, c'est toujours la même sanction?

M. Newman: La raison pour la période de deux ans importe selon l'endroit où la prison ou l'incarcération doit avoir lieu. Si l'emprisonnement maximum est mettons accordé, on n'aime pas employer le mot accorder, est imposé, mettons. S'il y a une peine de deux ans de prison, cela veut dire que le prévenu peut accomplir cette peine dans un pénitencier fédéral, mais si c'est moins que deux ans, il n'est pas admissible d'être incarcéré aux frais du gouvernement fédéral.

M. Gleave: Vous voulez lui donner un statut pertinent n'est-ce pas, mais je ne trouve pas cela très drôle de donner deux années à quelqu'un simplement pour envoyer quelqu'un à un pénitencier au lieu de l'envoyer dans une prison ordinaire.

M. Olson: Monsieur le président, je ne pense pas que qui ce soit ici pense que ce soit amusant de rédiger des lois de sorte que l'intention de cette loi soit applicable. Il n'y a, à mon avis, rien non plus de très amusant là-dedans. Mais c'est une des obligations du législateur.

M. Gleave: Mais, monsieur le président, je ne comprends toujours pas. Si mes observations ont manqué de courtoisie. . .

M. Olson: Non.

M. Gleave: Je crois qu'il devrait y avoir une meilleure raison que cela pour décider d'inscrire dans la loi une disposition imposant une peine de deux ans. Un juge qui siège à un tribunal, lorsqu'il arrête une décision, se

[Text]

of the offence, and I would assume for an act the maximum he is given would have relation to the gravity of the circumstances that surround this act.

Now, it may be more serious to carry around plants that are going to have a potential to destroy a portion of Canadian agriculture than it is to distribute chemicals that are going to poison somebody—that is somebody else's judgment—but I think there should be a reason why, in either of these bills, you say that the man who violates the act shall be subject to two years if we are going to put ourselves in the position of making these kinds of judgments.

Mr. Phillips: Mr. Chairman, I would like to make some comments from my understanding of the situation as I have received it from a law officer of the Crown, and Mr. Newman can correct me if I am in error. My understanding of the two parts of this is that in order to provide for the offences to cover the various situations, and you come to an indictable offence, you have to put the two years in. Without putting some limitation there, you would be exposed to a much greater penalty under the Criminal Code.

• 1715

This is actually restrictive in bringing it back to two years in terms of indictable offences, and this is the consideration; it is restrictive in that sense. Now, you can argue whether it should be two or should be one or should be three, but putting two years in here is a restrictive action and it is to cover cases of fraud, and willful matters. Very rarely is it used, and it is a summary type that is used.

Mr. Gleave: Did I hear an explanation before of whether you need to use an indictable offence in both cases?

Mr. Phillips: Very rarely have we had to use the case. Indeed, it is very difficult to prove an indictable offence because of the fraudulent or willful aspect of it and in administering various laws that have this in when we go to lawyers and say, "Look, this is a very serious offence", they say, "Yes, but it is not an indictable offence. You would have to prove that it was with intent he did this, he willfully did it, an attempt to defraud".

So rarely does this occur, but with it there an occasion arose where through deceit or willful action they brought in material that could damage agriculture or, in the other case, willfully and so on.

Mr. Douglas: With regard to this two year figure that appears when we pass this legisla-

[Interpretation]

prononce sur la gravité du délit et je suppose que dans la loi, le maximum que vous appliquez se rattache à la gravité des circonstances et du délit.

Il se peut qu'il soit plus sérieux de transporter des plantes qui peuvent avoir le pouvoir de destruction, qui peuvent détruire une partie de l'agriculture canadienne que de distribuer des produits chimiques qui peuvent empoisonner les gens. Mais il devrait y avoir une raison pour laquelle dans l'une ou l'autre de ces lois, on dit que celui qui commet une infraction à la loi est passible de deux années d'emprisonnement, si nous voulons arrêter ce genre de chose.

M. Phillips: Monsieur le président, oui, j'aimerais seulement faire certaines observations. Si je comprends bien la situation, et M. Newman peut me corriger si je me trompe, si je comprends bien, il y a deux parties à cette affaire. Afin que les délits puissent couvrir les diverses situations possibles notamment dans le cas d'un délit passible de sanction, il faut imposer deux années, car autrement on s'exposerait à des sanctions beaucoup plus graves aux termes du Code criminel, de fait, cela serait restrictif.

On ramène le maximum à deux ans pour les délits passibles de sanction. Voilà la considération qui entre en ligne de compte, il s'agit d'une peine restrictive, on peut se demander si ça devrait être un, deux ou trois, il s'agit d'une mesure restrictive. C'est pour couvrir des cas de fraude ou de fausse déclaration.

M. Gleave: Est-ce qu'on a donné des explications auparavant? Est-ce que vous définissez le cas de délit passible de sanction?

M. Phillips: Il est très difficile de prouver les délits passibles de sanctions, car l'aspect frauduleux ou l'aspect conscient est difficile à prouver, lorsque nous administrons les lois qui comportent une disposition de ce genre, lorsque nous allons consulter des avocats et que nous disons, c'est là un délit très sérieux, et qu'on répond: Oui, je pense bien, mais ce n'est pas un délit passible de sanction. Il faut prouver que c'est avec intention que le prévenu l'a fait. Il a fait une fraude sciemment, c'est très rare que cela se produise mais néanmoins, il faut qu'on montre que cela a été fait sciemment, de transporter certaines matières qui sont nuisibles à l'agriculture.

M. Douglas: En ce qui a trait au chiffre de deux ans, si nous l'adoptons, et nous avons

[Texte]

tion, if we pass it—and we did pass C-155—we are giving our stamp of approval to that as an appropriate maximum term for offences that might be committed under this act. I would be interested in hearing rationale for that. Why is it two years rather than, say, one year or eighteen months or three years?

Mr. Newman: Mr. Chairman, under the Criminal Code—and I guess I should read from this book. It is a book on Canadian Criminal Procedure by Salhany. It is not the last word, but I think it is accurate, and it says, that under the Criminal Code, there are five general divisions of maximum sentences of imprisonment for indictable offences. They are life, 14 years, 10 years 5 years and 2 years.

There are these five categories and the lowest of all the categories for indictable offences is having a maximum penalty of two years, and I think it is in accordance with the provisions of the Criminal Code that you are providing for an indictable offence but it is for the lowest category of indictable offences.

The Chairman: Are there further questions?

Clause 10 agreed to.

On Clause 11—*Trial of offences.*

Mr. Danforth: Mr. Chairman, may I ask for an explanation of this? I am not just sure to what it pertains when they speak of,

A complaint or information in respect of an offence...may be...tried or determined by a magistrate...

When they speak of an offence do they mean an offence against a regulation of this Act, or what is meant by an offence?

Mr. Olson: Mr. Newman can explain further, but I think it determines the jurisdiction as far as the court is concerned.

Mr. Newman: Yes, this is the purport of this Clause. I think that the honourable member might be confused by the words "complaint or information". These words refer to the document that is filed with the court which sets the proceedings in action. It is either called a complaint or an information, depending on which part of Canada you are in.

Mr. Olson: This is the charge, is it not?

Mr. Newman: The complaint or the information is the actual piece of paper setting out the charge.

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[Interprétation]

adopté le bill C-155, nous approuvons cela comme peine maximum pour les délits qui pourraient être commis aux termes de la loi. J'aimerais avoir le raisonnement, les raisons dont on s'inspire, pourquoi deux années plutôt qu'une année, dix-huit mois ou trois mois comme sentence maximum?

M. Newman: Monsieur le président, aux termes du Code criminel, je crois que je devrais vous lire un extrait de cet ouvrage sur la procédure criminelle, ce n'est pas la dernière autorité, mais je crois que c'est précis.

Il y a cinq divisions de sentence maximum d'emprisonnement pour les délits passibles de sanctions. A vie, emprisonnement à la vie, 14 ans, 10 ans, 5 ans et 2 ans.

Il y a cinq catégories, la catégorie inférieure, c'est donc un maximum de 2 ans pour des délits passibles de sanctions. Je crois que cela est tout à fait d'accord avec les dispositions du Code criminel. On crée un délit passible de sanction criminelle mais c'est pour la catégorie la plus basse.

Le président: Y a-t-il d'autres questions?

L'article 10 est adopté.

Article 11—Instruction des infractions.

M. Danforth: Puis-je demander une explication de cette disposition? J'ignore au juste à quoi cela se rattache lorsqu'on dit:

un magistrat essayera de déterminer s'il y a eu fausse information, plainte ou dénonciation,

s'agit-il d'un délit contre une disposition de la loi, qu'est-ce que c'est que le délit exactement ici ou l'infraction?

M. Olson: Monsieur Newman pourrait peut-être vous donner plus d'explications mais je crois que cela détermine la juridiction de la Cour.

M. Newman: Oui, justement. A propos de cet article, je crois que le député se demande peut-être ce que veut dire plainte ou dénonciation. Ces expressions ont trait aux documents qui sont déposés au Tribunal et qui déclenchent la poursuite, soit par suite d'une plainte, soit par suite d'une dénonciation selon la région du Canada où l'on se trouve.

M. Olson: Il s'agit de l'accusation, n'est-ce pas?

M. Newman: C'est de fait le document qui établit l'accusation.

[Text]

Mr. Danforth: I appreciate this Mr. Chairman, but my question is whether a complaint or information would be based on an infringement of the regulations of this act as laid down.

• 1720

Mr. Williams: The act, its regulations or an order of the Minister under Clause 8.

Mr. Danforth: My point is this: A man who imported an infestation would not be guilty of an offence provided he complied with the regulations as specified in this act, quarantine, and so on. The very fact that he did import would not be considered an offence?

Mr. Newman: No.

Mr. Danforth: Provided it was under the regulations of this Act.

Mr. Olson: That is correct.

Mr. Williams: I think the purpose here is that the offence might take place at Halifax, for example, and it might be much better for everybody concerned if he were tried in Saskatchewan if he were a resident of Saskatchewan and judge's territorial jurisdiction covered Saskatchewan, but the actual offence might have taken place at the port of Halifax. It might have been at a boat or it might have been at the airport in Montreal, for example, and I think it would be most difficult if it insisted that everybody went back to the place where the offence took place.

Mr. Danforth: I appreciate that.

The Chairman: Are there further questions?

Mr. Lind: Clause 11 reads:

A complaint or information in respect of an offence under this Act may be heard, tried or determined by a magistrate or a justice...

Is this a justice of the peace?

Mr. Newman: It is a justice as defined in the Criminal Code.

Mr. Lind: Well, what is—

Mr. Newman: I am sorry; I do not have a copy of the Criminal Code with me.

Mr. Lind: Well, I am not a lawyer. I do not know what you are talking about.

Mr. Newman: It might well mean a justice of the peace. I could check on that point and let you know if you wish.

[Interpretation]

M. Danforth: Oui, mais s'agit-il d'une plainte ou d'une dénonciation fondée sur l'infraction prévue au règlement de la loi, aux dispositions de la loi?

M. Williams: Ou d'une ordonnance du ministre aux termes de l'article 8.

M. Danforth: Le fait que quelqu'un importe par exemple une matière contaminée, est-ce que cela pourrait être un délit contraire aux dispositions de la loi, le fait que quelqu'un importe, cela ne serait pas un délit par conséquent, pourvu que cela relève des dispositions de la loi, voilà quelle était ma question.

M. Newman: Non.

M. Danforth: Pourvu que cela tombe sous le coup de la loi.

M. Olson: C'est exact.

M. Williams: La poursuite peut avoir lieu à Halifax par exemple et il vaudrait peut-être mieux que le procès ait lieu en Saskatchewan, si le prévenu habite la Saskatchewan, mais le délit peut fort bien avoir eu lieu au port d'Halifax, soit à la sortie d'un bateau, soit à l'aéroport de Dorval, par exemple, et je crois qu'il serait très difficile si l'on insistait pour que le procès ou la poursuite ait lieu là où le délit a été commis.

M. Danforth: Oui, je comprends.

Le président: D'autres questions?

M. Lind: L'article 11:

Une plainte ou dénonciation relative à une infraction prévue par la présente loi peut être entendue instruite ou jugée par un magistrat ou un juge de paix...

M. Newman: C'est un juge de paix tel que défini dans le Code criminel.

M. Lind: Quel est...

M. Newman: Je n'ai pas d'exemplaire du Code criminel.

M. Lind: Je ne suis pas avocat, je ne sais pas de quoi vous parlez de toute façon.

M. Newman: Il se peut fort bien que cela signifie un juge de paix, il faudrait que je le vérifie et que je vous le fasse savoir, si vous le voulez.

[Texte]

Mr. Clermont: Mr. Chairman, I would say that might be *un juge de paix*.

Mr. Newman: Yes, it would seem to me that it would be a justice of the peace.

Mr. Lind: Then further, if this charge is laid at 5 o'clock on Friday afternoon, can this fellow be detained by a justice of the peace?

Mr. Newman: That is a very complicated question with respect to arrest and detention. I think it would be most unusual for anyone to be arrested for a violation under the provisions of this type of statute. Only in rare cases, very rare cases, would this occur. The normal way is to serve a summons as you would for a traffic violation. At least in offences that are conducted by the federal Department of Justice arrest is very rarely used except in narcotics cases, and so on. In an administrative type of statute such as this arrest would not be the normal procedure.

Mr. Lind: What about cases in connection with the growing of poppies or marijuana?

Mr. Newman: This would be—

An hon. Member: It is different—in the Food and Drugs Act.

Mr. Lind: It is in the Food and Drugs Act.

The Chairman: Are you finished, Mr. Lind?

Mr. Lind: Yes.

The Chairman: Mr. Gleave?

Mr. Gleave: Mr. Chairman, I do not see why you specify justice of the peace. Most of them have very little knowledge in law. Why not leave them out and why not let the information be laid before a magistrate who has some knowledge in law?

Mr. Olson: I think, Mr. Chairman, we would like to check that.

Clause 11 stood.

On Clause 12—Appeal.

Mr. Pringle: Clause 12, in part, says:

Where the compensation awarded to a person for any plant or other matter destroyed or prohibited or restricted from sale or for any restriction of the use of

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[Interprétation]

M. Clermont: Je pense qu'il s'agit du juge de paix.

M. Newman: Oui, c'est ce qu'il me semble.

M. Lind: Plus loin, monsieur le président, j'ajoute que si une plainte est déposée à cinq heures le vendredi soir, est-ce qu'un juge de paix peut détenir quelqu'un pendant la fin de semaine?

M. Newman: C'est là une question très compliquée. Concernant les arrestations et les détentions, je crois qu'il serait très inusité que quelqu'un soit appréhendé pour avoir enfreint ce genre de loi. Il s'agirait d'un cas extrêmement rare, la procédure normale c'est d'avoir une sommation comme dans le cas des infractions au Code de la route, notamment dans le cas d'une enquête faite par le ministère de la Justice. On procède très peu aux arrestations, sauf dans le cas du commerce des narcotiques, mais dans un cas de loi administrative comme celle-ci, je crois que l'arrestation ne serait pas la procédure normale.

M. Lind: Dans le cas de transport de marijuana ou d'autres narcotiques? Cela relève...

M. Newman: Cela serait...

Une voix: C'est différent dans la Loi sur les aliments et drogues.

M. Lind: C'est dans la Loi sur les aliments et drogues.

Le président: Avez-vous terminé monsieur Lind?

M. Lind: Oui.

Le président: Monsieur Gleave?

M. Gleave: Je ne vois pas pourquoi monsieur le président, on parle d'un juge de paix. La plupart des juges de paix connaissent très peu le droit, pourquoi ne pas les éliminer, pourquoi ne pas laisser la plainte ou dénonciation être portée devant le magistrat qui connaît le droit?

M. Olson: Je crois, monsieur le président, que nous aimerions vérifier cela.

(L'article 11 est réservé.)

Article 12—Appel.

M. Pringle: L'article 12 dit:

12. (1) Lorsque l'indemnité, accordée à une personne pour une plante ou autre matière détruite ou dont la vente est interdite ou restreinte ou pour une res-

[Text]

any property or premises is less than the maximum compensation prescribed under this Act...

I am having difficulty locating where the maximum compensation is stated. Could I have that paragraph, sir?

• 1725

Mr. Williams: Clause 4(h) is the one, and it reads as follows:

4. (h) for the awarding of compensation by the Minister for any plant or other matter destroyed or prohibited or restricted from sale or for any restriction of the use of any property or premises pursuant to this Act, and prescribing the terms and conditions upon which any such compensation may be awarded and the maximum amounts of any such compensation;

Mr. Pringle: So we do not really state the maximums, we leave that to the Minister, and this last subclause then refers to the maximum that the Minister may prescribe. Is that correct?

Mr. Williams: Prescribed by the Governor in Council, but awarded by the Minister.

Mr. Pringle: Yes, that is right. I am sorry.

Mr. Williams: The limitations will be prescribed by the Governor in Council but it will be awarded by the Minister.

Mr. Pringle: Thank you, Mr. Chairman.

The Chairman: Are there any further questions?

Mr. Danforth: Mr. Chairman, I appreciate the intent of this particular clause but as I read it, the appeal deals only with cases where, in the opinion of the injured party, the compensation awarded is not great enough. However, I have knowledge of instances where there were grave doubts in the minds of persons involved whether or not their commodities were impounded or quarantined justifiably. Is there a clause in this bill under which a person may appeal the decisions of an inspector or inspectors in this particular instance? I know that there has been an involvement with both provincial and federal inspectors. I do not see in this bill any clause making it possible for an injured party to appeal the decision of an inspector to quarantine or carry out any other provisions of this proposed act.

Mr. Williams: Mr. Chairman, I believe that is correct. There is not provision other than

[Interpretation]

triction quelconque de l'utilisation d'un bien ou local, est inférieure à l'indemnité maximum prescrite en vertu de la présente loi

J'ai peine à trouver où l'on parle d'indemnité maximum dans la Loi. Qui peut me citer le paragraphe?

Mr. Williams: Je crois que c'est 4, paragraphe h:

4. h) prévoyant l'attribution par le Ministre d'une indemnité pour une plante ou autre matière détruite ou dont la vente est prohibée ou restreinte ou pour toute restriction à l'utilisation d'un bien ou local, en conformité de la présente loi, et prescrivant les modalités selon lesquelles cette indemnité peut être accordée ainsi que le montant maximum d'une telle indemnité;

Mr. Pringle: Nous n'indiquons donc pas le maximum, nous laissons au ministre le soin de déterminer le montant maximum. Est-ce exact?

Mr. Williams: Prescrit par le gouverneur en conseil.

Mr. Pringle: Vous avez raison.

Mr. Williams: Le montant serait déterminé par le gouverneur en conseil et accordé par le ministre.

Mr. Pringle: Merci, monsieur le président.

Le président: D'autres questions? Monsieur Danforth.

Mr. Danforth: Monsieur le président, je peux comprendre quelles sont les intentions de cet article. Mais l'appel ne porte que sur les cas où, de l'avis de la personne lésée, l'indemnité est suffisante. Mais je songe à des cas où les personnes en cause se demandaient si la mise en quarantaine des produits était justifiée. Y a-t-il un article de ce bill qui permet à une personne d'interjeter appel de la décision faite par un ou plusieurs inspecteurs? Je sais que dans certains cas cela intéresse à la fois les inspecteurs provinciaux et les inspecteurs fédéraux. Je ne vois aucune disposition dans la Loi qui permette à une partie d'interjeter appel de la décision d'un inspecteur d'imposer la quarantaine ou une autre disposition de ce projet de loi.

Mr. Williams: C'est exact, je crois, monsieur le président. Il n'y a pas de disposition, sauf

[Texte]

the unstated one, that he can appeal to the Minister. However, no court can overrule, as I understand it, any decision made by the Minister or by the department, with the Minister's authority, in respect of the imposition of quarantines. The law has given to the Minister the right to provide quarantines.

Now he does have the right of appeal against no compensation. If, for example, he claims compensation on the grounds that his land was incorrectly impounded and the Minister rejects that claim he can then appeal the fact that he received no compensation or insufficient compensation.

Mr. Danforth: Mr. Chairman, this is not my point.

Mr. Williams: I appreciate that Mr. Danforth. I would say there is none, that the proposed act gives the Minister the ultimate power to reach a decision whether or not land should be placed under quarantine, for example.

Mr. Danforth: I will use an example. Suppose an importer imports 5,000 rose bushes for sale to retail outlets and at the port of entry an inspector places his entire shipment under detention. If the person owning the shipment in transit is under the impression that he has been detained without justice, what recourse has he? Has he an appeal, can he request that the goods be given a subsequent inspection, can he ask that other inspectors be brought in—what course of action is open for him to follow?

Mr. Williams: As I say, Mr. Danforth, he has, rightly or wrongly—I am stating the case now—no appeal outside the department. He can appeal to the Minister obviously, although that is not stated as a right in this bill. Obviously he can appeal to the Minister. But his protection lies in the fact that if this material has been incorrectly quarantined and he has suffered damage he can appeal to the courts the fact that the compensation he did receive was insufficient for the damage that he suffered, or that he received no compensation.

• 1730

It does not give a court or any outside body authority to override the decision of the inspector who may have to make, I am sure you will appreciate, an on the spot decision so that this product may be retained at the port of entry rather than disseminated throughout the country where it might cause a great deal of difficulty. But it does have the appeal provision that any damages that he suffered are appealable.

[Interprétation]

la disposition tacite de pouvoir en appeler au ministre. Mais il n'y a aucun tribunal qui puisse annuler une décision arrêtée par le ministre ou par le ministère, au nom du ministre, relative à l'application de la quarantaine. La Loi donne au ministre le droit d'imposer la quarantaine.

Cependant, le cultivateur a le droit d'appel contre l'absence d'indemnité. S'il réclame de l'indemnité parce que sa propriété a été mise en quarantaine et que le ministre rejette sa cause il peut toujours interjeter appel de l'absence d'indemnité ou d'indemnité insuffisante.

M. Danforth: Ce n'est pas ce à quoi je veux en venir.

M. Williams: Je dirais qu'il n'y en a pas. Le projet de loi donne au ministre, le pouvoir de prendre une décision, savoir si oui ou non certaines terres doivent être mises en quarantaine ou non.

M. Danforth: Voici un exemple. Mettons qu'un importateur importe 5,000 rosiers et que tout ce chargement soit mis en quarantaine. Le propriétaire du chargement a l'impression que ses biens ont été détenus injustement.

Quel recours a-t-il? Est-ce qu'il peut logger un appel? Est-ce qu'il peut demander une autre inspection? Est-ce qu'il peut demander que d'autres inspecteurs viennent vérifier?

M. Williams: Comme je l'ai dit, c'est un fait, il n'a, à tort ou à raison, aucun droit d'appel en dehors des cadres du ministère. Il peut en appeler au ministre, bien que cela ne soit pas indiqué dans la Loi.

Il est protégé du fait que, si ces produits ont été injustement mis en quarantaine et qu'il a subi des pertes, il peut en appeler devant les tribunaux que l'indemnité qu'il a reçue est insuffisante vu les pertes subies ou qu'il n'a reçu aucune indemnité.

La loi ne donne pas au tribunal ou à toute organisation extérieure l'autorité d'annuler la décision de l'inspecteur, qui peut avoir à prendre une décision sur place, de sorte que le produit soit détenu au port d'entrée et empêcher qu'il se répande à travers le pays où il pourrait causer des problèmes énormes. Mais il y a la disposition prévoyant l'appel notamment contre tous les dégâts ou les pertes qu'il a pu subir.

[Text]

Mr. Danforth: Mr. Chairman, since, under this bill, the department will be given sweeping powers—it is no secret that under this proposed act they can absolutely control the movement of many, many plants, seeds, cuttings, and vegetation of all kinds—would it not seem logical to incorporate a section, under which a man who is placed at a great inconvenience because of the action of a particular inspector would have some recourse—requesting re-inspection or a subsequent re-evaluation of the problem—or is he at some later date to be left at the mercy of some court which will assess what they feel is his financial liability? It seems too one-sided to me.

Mr. Olson: Mr. Chairman, I will ask Mr. MacLachlan to deal with that in some detail but I think it should be pointed out that this compensation clause is in here for the first time and if something like that should happen now he will have a right under the law to apply for compensation, which he did not have before.

That is about all I want to say, Mr. Chairman.

Mr. Danforth: Mr. Minister, may I point out that there are many incidents where compensation would never adequately cover a loss. I am speaking, for example, of a canning company importing several million tomato plants and being stopped at the border. A delay of only two weeks would make it an impossible situation and the consequent results would be disastrous to many farmers as well as to the canning company. It is my contention that no compensation could adequately cover a loss of this type. I know that this is an extreme case but I am concerned that there is no appeal from an appointed inspector interfering to this degree in the normal business activities of an individual or firm without any redress except going to the courts and demanding monetary compensation. It seems to me that we would be amiss in our duties here if we did not provide at least an appeal from this course of action.

Mr. Olson: Briefly and in practical terms, is there any way that you think that a court could get those tomato plants released quickly enough to make use of them?

Mr. Danforth: I am not just referring to a court, Mr. Minister. I am thinking of a certain inspector who, perhaps in all sincerity, makes an evaluation of possible damage that an import or transfer could cause. It could well be that under certain circumstances it might appear to that inspector that such damage

[Interpretation]

M. Danforth: Monsieur le président, comme le ministère, aux termes de la Loi, aura de vastes pouvoirs, et pourra notamment contrôler le mouvement de bon nombre de plantes, de graines, de plantes végétales de toutes sortes, ne semble-t-il pas raisonnable d'insérer un article en vertu duquel une personne lésée par une décision de l'inspecteur aura, pour recours, le droit de demander une nouvelle inspection ou une réévaluation de la décision du premier inspecteur, ou sera-t-il simplement plus tard laissé à la merci du tribunal qui devra déterminer quelles ont été ses pertes financières?

M. Olson: Je vais demander à M. MacLachlan de vous fournir plus de renseignements. Il convient de signaler que l'article visant l'indemnité est inséré pour la première fois et si une telle chose se produit on a le droit, en vertu de la Loi, de demander une indemnisation, ce qui n'existait pas auparavant. C'est à peu près tout ce que j'ai à dire.

M. Danforth: Mais en fin de compte, monsieur le ministre, il y a bien des cas où l'indemnité ou l'indemnisation ne couvrira pas suffisamment une perte. Je songe à des sociétés de conserves alimentaires, par exemple, qui importent plusieurs millions de plants de tomates, qui sont détenus à la frontière. Un retard de deux semaines peut créer une situation impossible et entraîner des conséquences désastreuses pour bon nombre de cultivateurs ainsi qu'à ces sociétés. Aucune indemnité, je crois, ne peut compenser des pertes de ce genre.

Il s'agit d'un cas extrême, mais je me préoccupe du fait qu'il n'y a pas de recours contre une telle ingérence d'un inspecteur dans l'activité commerciale normale d'une personne ou d'une entreprise, à moins d'aller devant le tribunal et demander une indemnité. Il me semble que nous manquions à notre devoir si nous ne donnions pas au moins l'occasion d'interjeter appel.

M. Olson: Du point de vue pratique, monsieur le président, croyez-vous que le tribunal pourrait faire relâcher les tomates suffisamment tôt pour que vous puissiez les utiliser?

M. Danforth: Je ne parle pas seulement d'un tribunal, monsieur le ministre, mais d'un inspecteur qui, en toute sincérité, fait l'évaluation d'un tort ou d'un dommage possible qu'un importateur pourrait causer. Il se peut fort bien que dans certaines circonstances, l'inspecteur croit qu'il y ait possibilité de dom-

[Texte]

could be caused. However, the injured party might take violent exception to this and disagree. In such cases, in my opinion, he should have some recourse, even if it is only to ask another inspector to give an opinion. In nearly every other instance of a business transaction there is such recourse. Even in disputes we have arbitration. Here we have something which is tantamount to a dictatorship: a man says certain goods shall not move because, he says, they are not fit. I think that the man who owns the goods should have the prerogative of saying, "I do not agree, Mr. Minister. Can I save these goods inspected by another inspector?"

• 1735

Mr. Olson: Well, that is done all the time. We get a wire immediately anything is put under detention—not that it is spelled out in the Bill but that is what happens in practice.

Mr. Danforth: I appreciate that but it is not spelled out in the proposed act, it is not law, it is not covered in the regulations and sometimes, Mr. Minister, it is not practice either.

The Chairman: Gentlemen, it would appear to me that this discussion might go on for a few minutes yet. Dr. MacLachlan would like to make a statement and I know that you would not want to deprive him of the necessary time to do that. I think probably it is time to adjourn.

Gentlemen, I want to ask your concurrence in one thing. It would appear that we will complete Bill C-154 shortly after the supper break. I think Bill C-157 is in keeping with the bills that we have been dealing with, although I am not sure that we listed them in that order. Could I have the agreement of the Committee to call Bill C-157 and then Bill C-156 which has to do with the Animal Contagious Diseases Act.

Mr. Danforth: We have no objection, Mr. Chairman.

Some hon. Members: Agreed.

The Chairman: When we complete Bill C-154 is it agreed that we call Bill C-157—An Act to regulate products used for the control of pests and the organic functions of plants and animals.

Some hon. Members: Agreed.
Clause 12 stood.

The Chairman: Would you please return promptly at 8 o'clock.

The meeting is adjourned.

[Interprétation]

mages alors que la personne lésée, serait en désaccord total. Il devrait certainement y avoir recours, si ce n'est que de demander à un autre inspecteur de donner son opinion.

Dans presque tous les autres cas de transactions commerciales, il existe cette possibilité. Ici, nous avons une dictature parce que l'inspecteur, qui prétend qu'ils sont inacceptables, refuse de laisser passer les produits. J'é trouve que la personne en question devrait pouvoir dire s'il n'est pas d'accord et de demander la permission de faire inspecter par un autre inspecteur.

M. Olson: Cela se fait couramment. On nous indique toujours, par télégramme, lorsqu'il y a une mise en quarantaine. Même si ce n'est pas dans la Loi, c'est ainsi que cela se passe en pratique.

M. Danforth: Mais si ce n'est pas dans la Loi ni dans les règlements, elle n'est parfois pas appliquée non plus, monsieur le ministre.

Le président: Il me semble, messieurs, que la discussion pourrait se prolonger encore quelques minutes. Le docteur MacLachlan aimerait faire une déclaration à ce sujet. On ne voudrait pas l'en empêcher. Puisque nous en sommes arrivés à l'heure prévue pour l'ajournement, je voudrais vous demander qu'il semble que nous pourrions terminer le bill C-154 après le dîner. Le bill C-157, je crois, a trait aux bills dont nous avons discuté aujourd'hui. Est-ce que je pourrais avoir l'assentiment du Comité pour étudier le bill C-157, avant le bill C-156 qui a trait à la *Loi sur les épizooties*?

M. Danforth: Aucune objection, monsieur le président.

Des voix: D'accord.

Le président: Et alors quand nous aurons terminé le bill C-154, nous passerons au bill C-157?

Des voix: D'accord.
(L'article 12 est adopté.)

Le président: Je vous demanderais de revenir à 8 heures précises, s'il vous plaît.

[Text]

EVENING SITTING

• 2007

The Chairman: Gentlemen, when we rose for the dinner hour, we had stood Clause 11 of Bill C-154, and I believe that Mr. Newman has some information for us at this time. Mr. Newman.

Mr. Newman: Mr. Chairman, there seems to have been a problem in the construction of Clause 11. By using the words "magistrate or justice", it would seem that this would give jurisdiction to a justice to hear a charge laid under a clause of this Bill or the regulations.

I have been in touch with Mr. Thorson, the Associate Deputy Minister of Justice, and the Head of the Legislation Section in the Department of Justice, and he has informed me, and we discussed the matter and were in accord, that this clause does not give jurisdiction to a justice or magistrate to hear a case under this Bill. It merely provides that if a case is heard by a justice or a magistrate, he could adjudicate upon it notwithstanding that the offence arose outside of his territorial jurisdiction. As to whether he had what we could call substantive jurisdiction, the right to hear the case in the first place even if it were in his territorial jurisdiction, we would have to look at the provisions of the Criminal Code and legislation included within its ambit such as the provincial Summary Convictions Act, and this would determine who would have the right to hear the case.

• 2010

If the case were proceeded with by way of indictment, a magistrate might or might not have jurisdiction, depending upon the election of the accused. If it were to be proceeded with by way of summary conviction, I believe that the procedure would be to have it heard by a magistrate, and not a justice of the peace. But these provisions are provided for in the Criminal Code, and an offence under this proposed act would be treated exactly the same as an offence under any other act which creates summary conviction offences.

The Chairman: Is this explanation satisfactory to the Committee, Mr. Douglas?

Mr. Douglas: Does this mean that there may be cases when neither a magistrate nor a justice of the peace would be able to hear a case?

Mr. Newman: Is it possible that if the accused elects to have his case heard by a

[Interpretation]

SÉANCE DU SOIR

Le président: Nous avons quorum. Lorsque nous avons ajourné pour l'heure du dîner, nous avons réservé l'article XI du Bill C-154. Je crois que M. Newman a des renseignements à nous communiquer maintenant. Monsieur Newman.

M. Newman: Monsieur le président, il semble y avoir un problème dans la rédaction de l'article XI. En employant l'expression «magistrat ou juge de paix» cela semble donner le ressort à on pourrait croire qu'un juge de paix peut entendre une accusation portée en vertu de la présente loi ou des règlements qui l'accompagnent.

J'ai communiqué avec monsieur D. S. Thorson, sous-ministre adjoint du ministère de la Justice, et chef de la section des Mesures législatives, qui m'a informé, lorsque nous avions discuté de la question, et nous étions d'ailleurs d'accord, que cet article ne donne pas, à un juge de paix où à un magistrat, le droit d'entendre une cause en vertu de la présente Loi. L'article prévoit tout simplement que si une cause est ainsi entendue, le juge de paix ou le magistrat pourrait rendre une décision à ce sujet même si l'infraction s'est produite en dehors du domaine de son ressort.

Quant à savoir s'il avait la compétence voulue, soit le droit dès le début d'entendre la cause, il faudrait examiner alors les dispositions du Code criminel ainsi que les mesures législatives qui s'y rattachent, comme par exemple, la Loi provinciale sur les déclarations de culpabilité sommaire.

Si on va de l'avant en intentant une poursuite, le magistrat pourrait ou non avoir juridiction en la matière, le tout dépendant du choix que ferait l'accusé. Si la cause devait se poursuivre par voie de déclaration de culpabilité sommaire, c'est un magistrat et non pas un juge de paix qui devrait entendre la cause.

Ces dispositions sont prévues au Code criminel, et une infraction commise à l'encontre de cette loi serait traitée exactement de la même façon qu'une infraction en vertu de n'importe quelle autre loi.

Le président: Est-ce que cette réponse satisfait le comité? Monsieur Douglas.

M. Douglas: Monsieur le président, est-ce que cela veut dire qu'il y a des cas où ni un magistrat ni un juge de paix, ne pourrait entendre une telle cause?

M. Newman: Il est possible que, si l'accusé choisit de faire entendre sa cause par un tri-

[Texte]

higher tribunal, the higher tribunal would have jurisdiction, but that would only be in the cases where there was procedure by way of indictment.

Mr. Douglas: Would the provision which this clause envisions of allowing a case to be heard in the area in which the plaintiff lives still be applicable if the case had to go to a higher court?

Mr. Newman: Yes.

The Chairman: Are there any further questions?

Clause 11 agreed to.

The Chairman: Gentlemen, Clause 12 was the subject of our considerations before the lunch hour. Dr. MacLachlan was about to make a statement on this particular clause, and I recognize Dr. MacLachlan now.

Dr. D. S. MacLachlan (Director of Plant Protection Division, Department of Agriculture): Gentlemen, I will try to be quite brief in this. I believe the matter of detention of material was brought up and this was the subject of the discussion. I should point out that detention, in the case of this bill, is used in cases where material is arriving at a border and the infection or insect found in this material is such that a determination cannot be made immediately as to the direct cause of the problem. So, what is required here is that the inspector first of all is reasonably certain that a disease is present which does not occur in the country—or a disease of quarantine significance, we call it—and samples have to be taken from this material and examined microscopically in the laboratory.

It is not considered a good practice to have this material move into the country for fear of spreading the disease or insects around the country before a determination is made. So, this is generally the case where detention is used, and in most cases this is for a relatively short period of time—sometimes only a matter of hours, sometimes a day, a day and a half. Our inspectors are quite aware of the implications of detaining material such as tomato seedlings for a period of, say, a day and a half. And in general our procedure at ports where perishable materials are brought in is that these identifications are made quite rapidly, and in such cases the detention may be removed in a very short time.

With regard to the right to appeal for re-inspection, this is normally covered in the regulation, and our present regulations contain a clause which gives the importer the right to appeal for re-inspection. In all cases

[Interprétation]

bunai supérieur, que le tribunal supérieur ait alors la compétence voulue, mais ça ne serait que dans le seul cas où une poursuite serait intentée au criminel.

M. Douglas: Est-ce que ces dispositions prévoyant que la cause peut être entendue dans la région qu'habite le requérant s'appliquent même si un tribunal supérieur doit entendre la cause?

M. Newman: Oui.

Le président: D'autres questions?

L'article 11 est adopté.

Le président: Messieurs, l'article 12 a fait l'objet d'une étude avant le dîner et le témoin, M. MacLachlan, se préparait à faire une déclaration à ce sujet. Je lui donne maintenant la parole.

M. D. S. MacLachlan (Directeur de la Division de la protection des végétaux, ministère de l'Agriculture): Messieurs, j'essaierai d'être très bref à ce sujet. Je crois que la question de rétention du matériel a été abordée, et qu'elle a fait l'objet d'une discussion. En vertu de la présente Loi, un objet peut être retenu lorsqu'il arrive à la frontière et que l'infection est telle qu'il est impossible de déterminer immédiatement la cause du problème. L'inspecteur doit d'abord être raisonnablement certain qu'il y a une maladie et que cette maladie ne se retrouve pas, à ce moment-là au pays. Il doit prélever des échantillons qui seront ensuite examinés au microscope.

Il n'est pas de bonne guerre de permettre l'entrée de ce matériel dans le pays, par crainte de propager la maladie ou les insectes, avant d'en avoir déterminé la nature exacte.

Dans de tels cas, on aurait recours à la rétention. D'habitude c'est pour une période de temps relativement courte, parfois c'est pour quelques heures seulement, parfois une journée ou une journée et demie.

Nos inspecteurs savent ce qui peut se produire s'ils retiennent, par exemple, des plants de tomates pendant une journée et demie. Règle générale, notre façon de procéder dans les ports où arrivent les denrées périssables est des plus expéditives.

En ce qui a trait au droit d'appel pour une nouvelle inspection, cette situation est prévue par le règlement. Nos règlements actuels comportent une disposition qui donne à l'importateur le droit de demander une nouvelle ins-

[Text]

this re-inspection is carried out almost immediately. There are cases, of course, where re-inspection cannot be of any direct benefit to the importer because of the problem with identification. Some of this just has to be done in a laboratory, and an immediate re-inspection would not solve the problem. But I can assure you that our inspectors are quite aware of the problems with perishable materials, and we try to process these as quickly as possible.

• 2015

The Chairman: Thank you, Dr. MacLachlan. Are there further questions? Mr. Danforth.

Mr. Danforth: Mr. Chairman, I would like to thank the Doctor for his explanation. It has done much to explain the situation to me. The Doctor in his explanation spoke of regulations for an appeal. Certainly I do not see these regulations incorporated in this bill. May I ask where the regulations may be found?

Dr. MacLachlan: As indicated in the previous clause, the Governor in Council has the right to make regulations in regard to the bill. Among these regulations, which are drawn up, is one which provides for the right of the importer to request re-inspection.

Mr. Danforth: Mr. Chairman, with that explanation, if it is normal procedure that this safeguard be incorporated in the Act, then I certainly would withdraw any objection I have to Clause 12.

The Chairman: Thank you, Mr. Danforth. Are there further questions?

Mr. Howard (Okanagan Boundary): Are we ready to deal with the second part of Clause 12?

The Chairman: Yes.

Mr. Howard (Okanagan Boundary): On the matter that an action should be brought within three months, is that sufficient time in view of the fact all the ramifications of a decision might not be known immediately, and might not be known for some time? I realize that it says further down that an appeal may be made within a longer period with the leave of the Assessor, but I wonder whether this is enough time.

[Interpretation]

pection. Dans tous les cas, cette réinspection se fait presque immédiatement. Il se trouve évidemment des cas où la réinspection ne pourrait servir directement l'importateur en raison du problème d'identification.

Certaines vérifications doivent se faire en laboratoire, et une réinspection immédiate ne réglerait pas le problème.

Je puis vous assurer toutefois que nos inspecteurs sont parfaitement au courant du problème engendré par les denrées périssables et que nous essayons de les régler le plus vite possible.

Le président: Merci beaucoup, monsieur MacLachlan. Y a-t-il d'autres questions? M. Danforth.

M. Danforth: Je remercie le docteur pour cette explication ce qui m'a grandement aidé. Mais, dans son explication, il a parlé des règlements relatifs aux appels. Je ne vois pas ces règlements dans le projet de loi. Est-ce que je puis demander où ils se trouvent?

M. MacLachlan: Comme on l'a indiqué dans l'article précédent, le gouverneur en conseil a tout autorité pour établir des règlements sous l'égide de la loi et parmi ces règlements, qui sont établis, il y en a un qui prévoit le droit de l'importateur d'exiger ou de demander plutôt une réinspection.

M. Danforth: Monsieur le président, vu ces renseignements, si cette sauvegarde devait être incluse dans la Loi, je retirerais toutes les objections que je pourrais avoir contre l'article 12.

Le président: Merci beaucoup. Y a-t-il d'autres questions?

M. Howard (Okanagan-Boundary): Est-ce que nous sommes prêts à étudier la seconde partie de l'article 12?

Le président: Oui.

M. Howard (Okanagan-Boundary): En ce qui concerne une action devant être intentée en dedans de trois mois, je me demande si le délai est suffisant étant donné que toutes les conséquences ne pourraient pas être connues immédiatement et pourraient ne pas l'être pendant un certain temps?

Je sais qu'on précise un peu plus loin, qu'on peut interjeter appel dans un délai plus long avec l'assentiment de l'évaluateur. Je me demande cependant si nous prévoyons suffisamment de temps?

[Texte]

Mr. Williams: I am afraid, Mr. Chairman, I am not able to give a specific answer as to whether this is enough time. The thinking, of course, was, as the questioner pointed out, that if there is reasonable cause to ask for a longer time, then that request can be granted.

The problem here is that without some limitation on time evidence tends to become much more difficult to gather and much more difficult to assess. The thinking was that it would be wise to put a limitation on it, in order that information could be obtained with greater dispatch and probably with greater accuracy.

The Chairman: Does that answer your question, Mr. Howard?

Mr. Howard (Okanagan Boundary): As I am not a specialist in this field, I suppose it does, but it seems to me if it happens very often it is not very wise to have a situation where one has to apply to the Assessor for a special condition in order to have the case heard. I wonder whether three months is a long enough period. Somebody more directly related to the agricultural field might come up with an opinion as to whether that is enough time or not.

Mr. Stewart (Okanagan-Kootenay): I would think this section relates to the time in which your appeal must be launched, not concluded. As long as you have written saying that you are going to appeal, that is enough.

Mr. Williams: Exactly.

The Chairman: Are there further questions on Clause 12?

Clause 12 agreed to.

On Clause 13—*Rights of provinces or of Governor in Council not affected.*

The Chairman: Are there questions concerning Clause 13?

Mr. Danforth: Mr. Chairman, I would like to have this broken down in simple language so that we do not have to resort to mental gymnastics in order to interpret it. I have read this clause through several times and I am still not sure that I know all its implications.

The Chairman: Who will do the explanation?

Mr. Williams: Perhaps I can give the simplest explanation; it may not be a breakdown of the nature that was requested; it simply means that theoretically this Act cannot assume any rights and functions that the provinces presently have under other statutes or by any other reason.

[Interprétation]

M. Williams: Je crains, monsieur le président, que je ne puisse donner une réponse précise quant à savoir si le délai est suffisant. Évidemment, comme on l'a dit, on peut toujours demander une extension de temps. Mais le problème ici est que si l'on ne limite pas le délai, la preuve deviendra assez difficile à obtenir et plus difficile à évaluer. Et, nous avons songé qu'il serait bon de limiter le délai afin que tous les renseignements disponibles puissent être obtenus beaucoup plus rapidement et avec beaucoup plus d'exactitude.

Le président: Est-ce que cela répond à votre question, monsieur Howard?

M. Howard (Okanagan-Boundary): Je suppose que oui, vu que je ne suis pas un spécialiste dans ce domaine. Mais je me demande que si cela se reproduit souvent, il ne serait pas sage que dans une situation semblable on ne doive pas avoir recours à l'évaluateur pour obtenir un traitement spécial afin de procéder. Je me demande si trois mois suffisent. Une personne connaissant le domaine de l'agriculture pourrait peut-être nous donner une opinion à savoir si le temps est suffisant?

M. Stewart (Okanagan-Kootenay): Je crois que cet article a trait au moment où il faut lancer l'appel et non pas au moment où il doit être jugé. C'est suffisant.

M. Williams: Exactement.

Le président: Y a-t-il d'autres questions concernant l'article 12?

L'article 12 est adopté.

Article 13—*Les droits des provinces ou du gouverneur en conseil ne sont pas affectés.*

Le président: Y a-t-il des questions au sujet de l'article 13?

M. Danforth: Monsieur le président, j'aimerais bien qu'on délimite l'article en termes simples afin de ne pas être obligé de faire de la gymnastique mentale pour l'interpréter. Je l'ai lu plusieurs fois, et je ne suis pas sûr d'avoir saisi toutes ses implications.

Le président: Qui veut l'expliquer?

M. Williams: Je pourrais peut-être donner l'explication la plus simple; même si elle n'est pas aussi fouillée. En théorie, on dit que la Loi ne peut pas assumer les droits et les privilèges acquis des provinces.

[Text]

Mr. Danforth: In other words, if...

Mr. Williams: I am afraid if we get to the "other words", I am in trouble; we will have to refer to Mr. Newman.

Mr. Newman: I was number one in my class in law school in obscure answers. I do not know if I could make it any simpler?

• 2020

An hon. Member: Did you draft the document?

Mr. Newman: No, I did not.

Mr. Phillips: This section says what Mr. Williams has indicated. We had great difficulty during the drafting to decide whether it should be in or not. The only reason it is in is that it is in the current Act and it was decided that it should not be removed in case there was any question about whether this Act was attempting to change the constitutional requirements.

Mr. Danforth: Encroachment on jurisdiction.

Mr. Phillips: That is right, and it was just repeated in there so that there would not be any question.

Mr. Danforth: In other words, then, in interpreting this, this bill is in addition to the legislation governing the pesticides and the spreading of pests within the provincial boundaries; this in addition to any such current legislation?

Mr. Phillips: Yes, I would say so.

Mr. Williams: And also it does not prohibit them from passing legislation that would control the pests that are controlled under this Act as long as they apply that control within provincial boundaries. It does not require them to, nor does it prevent them from doing it.

Mr. Danforth: In other words, they could have additional safeguards.

Mr. Williams: They could even have the identical safeguards, Mr. Danforth.

Mr. Olson: Mr. Chairman, may I interject here briefly. Under Section 95 of the BNA Act, or what is now the Constitution of Canada, the provinces have almost equal authority to pass laws and regulate agriculture. This is to prevent any dispute constitutionally as to who has the rights.

[Interpretation]

M. Danforth: En d'autres mots...

M. Williams: Si on en arrive aux «autres mots», je vais avoir des difficultés. Nous devons nous en remettre à M. Newman.

M. Newman: Je suis arrivé premier dans ma classe de droit pour les réponses obscures. Je ne crois pas que je pourrais encore le simplifier.

Une voix: Avez-vous préparé ce document?

M. Newman: Non.

M. Phillips: Cet article dit exactement ce que M. Williams a indiqué. Au cours de la rédaction du projet nous avons eu une grande difficulté à décider si oui ou non on introduirait cet article. La seule raison pour laquelle on l'a inséré, c'est qu'il se trouve dans la Loi actuelle et il a été décidé de ne pas l'enlever au cas où on se demanderait si cette Loi tentait de changer ces exigences constitutionnelles.

M. Danforth: Empiètement de juridictions.

M. Phillips: C'est exact. Et on a fait insérer cet article afin de décourager les questions.

M. Danforth: En d'autres termes, en interprétant, ce projet de loi complète la Loi qui réglemente les pesticides et les épidémies à l'intérieur des limites des provinces. Ceci en sus de toutes les mesures législatives actuelles.

M. Phillips: Je dirais oui.

M. Williams: Et cela n'empêche pas les provinces d'adopter des mesures législatives pour contrôler ou réglementer les pesticides, régis par la présente Loi à condition qu'elles s'appliquent à l'intérieur des frontières provinciales; cet article ne les force pas à légiférer ni ne les empêche de le faire.

M. Danforth: En d'autres termes, les provinces peuvent créer des sauvegardes additionnelles.

M. Williams: Elles pourraient avoir les mêmes mesures.

M. Olson: M. le président, si vous me permettez d'intervenir à ce moment-ci; en vertu de l'article 95, de l'Acte de l'Amérique du Nord britannique qui est devenu maintenant la Constitution du Canada, les provinces ont un droit égal de légiférer en matière d'agriculture. Ceci empêche toute discussion constitutionnelle quant au contrôle ou à la réglementation.

[Texte]

Mr. Douglas: Why, then, is not a similar clause required in the other bills, say Bill C-155 and Bill C-157.

Mr. Olson: There is a significant difference between Bill C-155 and Bill C-154, because Bill C-155 is designed so that we have the authority to pay compensation. This, of course, is for control of plants and quarantine measures and that sort of thing.

The Chairman: Are there further questions?

Mr. Olson: Perhaps I can make it a little clearer. In other words, we will have authority under this proposed act to do a whole lot of things, other than laying down the rules for paying compensation; making orders for restrictions and so on.

Mr. Douglas: It seems to me that there could be just as much conflict with provincial jurisdiction in any one of these bills as there is in another one.

Mr. Olson: No, I do not think that I can quite agree with that.

Mr. Douglas: There could be in the next one.

Mr. Olson: Yes, in the next one there could be, but not in the one we have just passed.

The Chairman: Are there further questions?

Clauses 13 to 15 agreed to.

Mr. Stewart (Okanagan-Kootenay): Mr. Chairman, I don't like to digress, but I think the word "knowingly" should be inserted as an amendment in clause 7(3) between the words "shall" and "remove". Subclause (3) of Clause 7 would then read, "Except as provided by this Act no person shall knowingly remove from detention..." This is following my friend Mr. Douglas' comment on subclause 2, because obviously there could be a situation where someone might unwittingly remove, without knowledge of its detention, a good that had been seized.

Mr. Olson: The practical question is, how could you remove something without knowing it.

• 2025

Mr. Stewart (Okanagan-Kootenay): I, as an employee, presumably not taken to know everything that my superior authorizes, could unwittingly remove something, which, in fact, had been placed under detention.

[Interprétation]

M. Douglas: Pourquoi une disposition semblable n'est-elle pas requise dans les autres bills, par exemple C-155, C-157?

M. Olson: Il y a une différence marquée entre 155 et 154. Car 155 est conçu en vertu d'une autorité visant à payer une indemnité. Ce projet-ci prévoit le contrôle des plantes et des mesures de quarantaine, etc....

Le président: Y a-t-il d'autres questions?

M. Olson: Je pourrais peut-être rendre la chose plus claire. En d'autres mots, nous aurons l'autorité en vertu de ce projet de loi de faire toute sortes de choses en plus du versement d'indemnités ou du règlement régissant l'indemnité, des restrictions, etc....

M. Douglas: Il me semble qu'il y aurait autant de conflits envers la juridiction provinciale que dans les autres projets de loi.

M. Olson: Non, je ne suis pas tout à fait d'accord.

M. Douglas: Dans le prochain projet de loi.

M. Olson: Oui, dans celui que nous allons étudier, peut-être, mais pas dans celui-ci.

Le président: Y a-t-il d'autres questions?

Les articles 13 à 15 sont adoptés.

M. Stewart (Okanagan-Kootenay): Monsieur le président, je n'aime pas faire des digressions mais je crois que les mots «en toute connaissance de cause» devraient être insérés dans l'article 7 (3) entre les mots «doit» et «soustraire». Le paragraphe se lirait alors ainsi:

«Nul ne doit en toute connaissance de cause soustraire à la rétention...»

Ceci fait suite au commentaire de M. Douglas sur le paragraphe 2, il se pourrait que quelqu'un puisse enlever, sans avoir eu vent de la saisie, les marchandises en rétention.

M. Olson: Comment pourrait-on le faire sans le savoir?

M. Stewart (Okanagan-Kootenay): Si, en tant qu'employé, je ne suis pas nécessairement au courant de tout ce que mon employeur a autorisé. Et en tant qu'employé, j'aurais peut-être pu inconsciemment enlevé quelque chose qui, en fait, aurait été placé en rétention.

[Text]

Mr. Williams: Mr. Chairman, when material of this nature is placed under detention, it is very clearly marked that it is under detention. Large tags are placed on all separate bundles, containers, or whatever it is. If it is a piece of land that is quarantined, quarantine notices are posted. I suppose that it is possible with a piece of land, but I think it would be very difficult with material that was under detention for anybody to move it knowing that was under detention.

Mr. Stewart (Okanagan-Kootenay): If in fact he did not know that it was under detention, it would be in contravention of the act for him to unknowingly remove it. I do not want to be academic here, but it would be better inserted than left out. That is only my thought. I think that without the word in there one could not raise any defence at all.

The Chairman: Gentlemen, is the objection withdrawn?

Mr. Stewart (Okanagan-Kootenay): I will think it should be included. I am not going to make an issue of it, but I would prefer to see it included.

The Chairman: May I draw to your attention a little typographical error in the third line of Subclause 2 of Clause 10,

...to establish that it was committed by an employee or agent....

This should read "...it was" instead of "...is was..."; it should be a "t" instead of an "s".

Clause 1 agreed to.

Title agreed to.

The Chairman: Shall I report the Bill as amended?

Agreed.

The Chairman: Thank you, gentlemen.

Gentlemen, I think it would be appropriate to say at this time that we are pleased with the progress we have made in completing two bills. We refer for your consideration Bill C-157. I think it would be appropriate to decide at this particular time about what time you would like to adjourn our deliberations. Ten o'clock?

Mr. Barrett: You are not on the farm now, you know. There is a 37½ hour week prevailing in the Province of Ontario.

Mr. Olson: Mr. Chairman, the only reason that I suggest that is that normally we would have sat in Committee of the Whole until 10 o'clock and this is a transfer of those duties to this Committee.

[Interpretation]

M. Williams: Quand les produits de ce genre sont retenus, c'est indiqué clairement. On met de larges étiquettes sur tous les réceptacles, containers ou autres pour les distinguer. Quand un terrain est mis en quarantaine, on met des affiches. Je suppose qu'il serait possible d'entrer dans un champ, mais ce serait extrêmement difficile d'enlever du matériel ou des produits de rétention sans en avoir connaissance.

M. Stewart (Okanagan-Kootenay): S'il ne le savait pas, il contreviendrait à la Loi malgré tout s'il le faisait inconsciemment. Ce n'est pas une question académique, mais tout simplement, j'ai l'impression qu'il serait bon d'inclure ces mots plutôt que de ne rien faire. C'est ma pensée. Je crois que sans ces mots, il ne serait pas possible de se défendre.

Le président: Messieurs, est-ce qu'on retire l'objection?

M. Stewart (Okanagan-Kootenay): Je crois toujours qu'on devrait inclure. Je ne veux tout de même pas en faire une question d'importance capitale, mais j'aimerais qu'elle figure dans le paragraphe.

Le président: Est-ce que je pourrais vous signaler une erreur typographique? Dans l'article 10, paragraphe 2—au texte anglais:

To establish that it was committed ce devrait être «it» au lieu de «is» tout simplement. La correction ne se fait pas au texte français.

L'article 1 est adopté.

Le titre est adopté.

Le président: Dois-je faire rapport du Bill avec amendements?

Adopté.

Le président: Messieurs, je crois qu'il serait opportun de signaler maintenant que nous sommes satisfaits du progrès accompli jusqu'ici. Nous avons terminé l'étude de deux projets de loi. Nous vous soumettrons aussi le bill C-157—je crois que c'est maintenant le moment venu de décider quand nous voulons mettre fin à nos délibérations. Vers 10 heures? Vous voulez siéger jusqu'à 10 heures?

M. Barrett: Nous ne sommes pas sur une ferme, n'oubliez pas que dans la province de l'Ontario, la semaine en vigueur est de 37 heures et demie.

M. Olson: Monsieur le président, la seule raison est que normalement nous aurions dû siéger en comité plénier jusqu'à 10 heures et il y a transfert de tâches à ce comité.

[Texte]

The Chairman: Nine o'clock was suggested, ten o'clock was suggested. Would 9.30 p.m. be acceptable to the Committee?

Some hon. Members: Agreed

Mr. Clermont: Accepting the fact that we must approve the Bill before that.

The Chairman: We will not put any strings on it, whatsoever.
Clause 1 stood.

The Chairman: Shall I read the title.

An Act to regulate products used for the control of pests and the organic functions of plants and animals

The short title is as follows:

This Act may be cited as the *Pest Control Products Act*.

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I think at this juncture the Minister may wish to make a brief statement.

Mr. Olson: Mr. Chairman, this proposed Act, of course is a new Act, but it is a replacement for the Act that you will find repealed in Clause 13, that is, the Pest Control Products Act, Chapter 209 of the Revised Statutes of Canada. In general terms the bill brings the Pest Control Products Act of 1939 up to date. It is framed in the same general context as the Pest Control Products Act but its provisions apply to pesticides and other control products generally in order to serve as effectively as possible the national interest in the agricultural industry as well as other areas where these products are used.

The increased use of pesticides and associated products and the greater concern over their potential for harm—as well as good—necessitates a broader authority for regulation than in the past. This is provided by the addition of authority to regulate the manufacture, handling and advertising of such control products. Authority is also included to regulate manufacturing establishments in relation to prescribed control products for export or interprovincial movement. The present Act only provides for the regulation of the product *per se* with respect to composition, packaging and labelling.

In addition to pest control products—that is, pesticides—the bill also applies to other control products and products to be used in conjunction with or to supplement pesticides and control products. The present Act provides only for the regulation of pest control products.

[Interprétation]

Le président: On a dit 9 heures, et 10 heures. Est-ce que 9 heures et demie serait une formule acceptable pour le Comité?

Des voix: D'accord.

M. Clermont: A condition qu'on adopte ce projet de loi avant l'ajournement.

Le président: Nous n'allons pas mettre de condition d'un façon ou d'une autre.
L'article 1 est réservé.

Le président: Dois-je donner lecture du titre?

Loi ayant pour objet de réglementer les produits utilisés pour détruire les parasites et agir sur les fonctions organiques des plantes et des animaux.

Le titre abrégé est le suivant: la Loi peut être abrégée comme suit:

Loi sur les produits antiparasitaires

Le ministre désire peut-être maintenant faire un bref exposé.

M. Olson: Bien entendu, monsieur le président, il s'agit là d'une nouvelle loi qui remplace la loi qui est abrogée dans l'article 13, chapitre 209, les Statuts révisés de 1939, qui s'intitule:

Loi sur les produits antiparasitaires

La loi est libellée de la même façon que la Loi sur les produits antiparasitaires. Et pour servir le plus efficacement possible les intérêts nationaux dans l'industrie de l'agriculture et dans les autres industries où l'on utilise les produits antiparasitaires, l'utilisation accrue des pesticides et des autres produits antiparasitaires et les effets nuisibles qui peuvent en résulter nécessitent une réglementation plus sévère. C'est ce qu'assure d'ailleurs l'autorité visant à réglementer la fabrication ou la manutention et la réclame de ces produits antiparasitaires. On comprend aussi l'autorité visant à réglementer les établissements de vente ainsi que le mouvement interprovincial, et l'importation et l'exportation. La loi actuelle ne prévoit que la réglementation du produit pour la composition, l'emballage et l'étiquetage.

Outre les produits antiparasitaires et les pesticides, la Loi s'applique aussi à d'autres produits de destruction ou de contrôle devant être utilisés comme additifs aux produits antiparasitaires et aux pesticides. La Loi actuelle ne porte que sur les produits antiparasitaires, alors que la définition de cette

[Text]

While the definition of authority is broad and may overlap the jurisdiction of other federal statutes such as the Food and Drugs Act and the Fertilizers Act, it is the intention to avoid dual control by Governor-in-Council-exempt regulations.

The bill has also been drafted in a current form to embody the regulatory, administrative and other provisions common to federal commodity statutes.

The Chairman: Thank you, Mr. Olson. Are there any questions on Clause 2? Mr. Danforth.

Mr. Danforth: Mr. Chairman, I would like to ask a question based on the statement by the Minister. I note that this bill is to regulate pests and the organic functions of plants and animals. May I ask, Mr. Chairman, if this includes chemicals that are used to stimulate certain functions in animals. Naturally I am thinking of a chemical such as stilbestrol. Are these chemicals also included under this bill? It deals with the organic functions of the animals.

Mr. Olson: The points that the particular product which you mentioned, stibestrol—or diethylstilbestrol—is not a pest control product and this, of course, is the Pest Control Products Act.

Mr. Danforth: It deals with the organic functions.

Mr. Olson: The residue that is involved there would be covered in a different Act. I am advised that it would be in the Feeds Act. For the purposes of determining residue in food, it would be in the Feeds Act. For the purposes of determining residue in food, it would be under the Food and Drugs Act.

Mr. Williams: If I might add a word, Mr. Chairman, the intent here is to control those products which at present are not controlled. At present stilbestrol is controlled by two acts, namely, the Feeds Act and the Food and Drugs Act. The types of commodities to which reference is made here are such things as growth stimulants for plants, sprout inhibitors and the various chemicals that are used for the chemical suckering of tobacco, for example; things of this nature that really do not fall into any other broad category.

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Mr. Danforth: If I may, Mr. Chairman, I would like to ask a supplementary on that subject. I am aware of the controls for a

[Interpretation]

autorité est assez vaste et empiète sur certaines autres lois fédérales comme la Loi sur les engrais chimiques et la Loi sur les aliments et drogues. On tente d'éviter que le gouverneur en conseil ait à formuler des règlements doubles. La Loi a été rédigée de façon à incorporer d'autres dispositions administratives propres aux lois de ce genre. La loi touche à des produits de ce genre.

Le président: Merci, monsieur Olson. Y a-t-il des questions sur l'article 2? Monsieur Danforth.

M. Danforth: Monsieur le président, j'aimerais poser des questions sur la déclaration que vient de faire le ministre. Je constate que ce bill vise à contrôler les produits antiparasitaires et les fonctions organiques des plantes et des animaux. Est-ce que cela comprend les produits biologiques? Je songe notamment à certains produits chimiques comme le stilbestrol. Est-ce que ces produits chimiques seront aussi compris dans la Loi, car cela a trait aux fonctions organiques des animaux.

M. Olson: Ce qui importe, c'est que le produit que vous avez mentionné n'est pas un produit antiparasitaire. Par conséquent, la Loi ne s'applique qu'aux produits antiparasitaires.

M. Danforth: Elle se rapporte aux fonctions organiques.

M. Olson: Je crois donc que ce produit relèverait d'une loi différente. Et on me dit que cela relèverait de la Loi relative aux aliments du bétail. Si on voulait déterminer les résidus dans les aliments, cela relèverait de la Loi sur les aliments et drogues.

M. Williams: J'aimerais ajouter aux explications que l'objectif du bill c'est de réglementer les produits qui, à l'heure actuelle, ne sont pas contrôlés. Le produit que vous avez mentionné est couvert par deux lois: la Loi sur les aliments et drogues et la Loi relative aux aliments du bétail. Le genre de produit dont il est question ici comprend les choses destinées à stimuler la croissance des plantes, des produits chimiques visant à enrayer certains parasites, des produits chimiques pour améliorer la qualité du tabac, des produits chimiques de ce genre qui ne relèvent pas d'une catégorie générale comprise dans une autre loi.

M. Danforth: Une question complémentaire. Je suis au courant d'une mesure de contrôle qui existe pour le stilbestrol. Mais les lois

[Texte]

commodity such as stilbestrol under the two previous Acts, but if I recall correctly those Acts deal with the actual use of the chemical and provisions for its use and my understanding of this bill is that it deals with the distribution, advertising and packaging of products. I am at a loss to know whether...

Mr. Williams: I think you will find, Mr. Chairman, that the other Acts cover those aspects, namely, the packaging, distribution and manufacture of those types of products. As the Minister pointed out in making his statement, there is some overlap between this and other Acts and it is intended that these will be segregated into the various areas of responsibility by Governor-in-Council-exempt regulations. In other words, certain products may be exempt from this bill if they are controlled under another Act.

Mr. Danforth: Thank you.

Mr. Williams: If it might be helpful, other examples of the type of product that we propose should come under this bill are plant growth modifiers, sprout inhibitors, potato top killers, fruit stop-drop sprays, emulsifiers, stickers and stabilizers for use with pesticides and other control products.

The Chairman: Mr. Downey?

Mr. Downey: Supplementary to Mr. Danforth's question, while he mentioned stilbestrol I think we should possibly consider the heat control chemical or substance which they use in A (d). Where would this fit into...

Mr. Williams: If it is in feed it is covered under the Feeds Act. It is also covered under the Food and Drug Act.

Mr. Downey: I understand.

Mr. Olson: May I also suggest at this point that that is one of the reasons these particular products would be in the regulations, so that they can be changed from time to time rather than spelling them out in the statute, because technology and the names of some of these products keep coming along and administratively it would be far more useful if we could change them without having to go back to Parliament to change the particular products that would be controlled in the statute.

The Chairman: Mr. Peters?

Mr. Peters: May I ask if this covers steroids?

Mr. Williams: It would depend upon the use to which they were put. If steroids were to be associated in general with pesticides or

[Interprétation]

qu'on vient de mentionner, si j'ai bonne mémoire, ont trait à l'utilisation des produits chimiques. Si je comprends bien la Loi, elle a trait à la distribution, à la réclame et à l'emballage des produits.

M. Williams: Vous constaterez, monsieur le président, que les autres lois couvrent ces aspects, notamment l'emballage, la distribution et la fabrication de ce genre de produit. Comme le ministre vient de le signaler, il y a chevauchement entre cet aspect de la loi et d'autres aspects. Et on espère que le gouverneur en conseil pourra voir à quel secteur de responsabilité s'applique telle ou telle chose. Autrement dit, certains produits seront peut-être exemptés de la présente loi s'il y a un contrôle qui relève d'autres lois.

M. Danforth: Je vous remercie.

M. Williams: Un autre exemple qui pourra vous être utile: le genre de produits qui devraient relever de la Loi, c'est les produits chimiques destinés à tuer les mouches-à-patates, à accélérer la croissance des fleurs, etc.

Le président: Monsieur Downey?

M. Downey: Question complémentaire à celle de M. Danforth. Elle concerne le stilbestrol. Est-ce que nous ne devrions pas considérer et tenir compte aussi des produits chimiques destinés à contrôler la chaleur?

M. Williams: Si ces produits relèvent de la Loi, ils relèvent de la Loi relative aux aliments du bétail, de même que de la Loi sur les aliments et drogues.

M. Downey: Je vois.

M. Olson: J'aimerais aussi signaler que l'une des raisons pour lesquelles ces produits figurent dans les recueils législatifs afin que l'on puisse les modifier à l'occasion plutôt que de les expliciter dans les lois, c'est que les noms de ces produits changent rapidement au fur et à mesure que des progrès technologiques sont accomplis. Nous trouvons que cette forme administrative est plus utile si nous pouvons ne pas énumérer nécessairement dans la loi les produits qui seront contrôlés.

Le président: Monsieur Peters?

M. Peters: Est-ce que la loi s'applique aux stéroïdes?

M. Williams: Cela dépend de l'utilisation que l'on fera de ce produit. Si on doit utiliser les stéroïdes à des fins antiparasitaires, il se

[Text]

pest control products they could then be controlled under this bill but, depending upon their use, they could also be controlled under other Acts.

The Chairman: Are there any further questions?

Clause 2 agreed to.

On Clause 3—*Manufacture, etc., under unsafe conditions*

The Chairman: Are there any questions?

Mr. Olson: I think, Mr Chairman, I should give a bit of an explanation here. This is a new provision that permits the regulation of manufacturing, handling or use of control products in relation not only to preserving their intended composition but also to prevent adverse effects that might be caused through inappropriate handling in use. For example, cross-contamination could arise through the use of common mixing equipment for the different pesticides. The storage of control products with foods could cause adulteration of the food, and the use of a pesticide on food crops at harvest time could cause illegal residues.

The Chairman: Are there any further questions?

M. Roy (Laval): Cet article prévoit-il par exemple, qu'une meunerie qui vend de la moulée, ne pourra entreposer également des herbicides ou des insecticides, avec la moulée?

Mr. Olson: Mr. Phillips will answer that.

Mr. Phillips: The Feeds Act would cover any product going into a feed. There would be dual control if it were a pest control product and a feed. We could use both the Pest Control Products Act and the Feeds Act for the control of a feed containing a pest control product.

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M. Roy (Laval): Dans le texte de l'article il est écrit:

Nul ne doit fabriquer, emmagasiner, présenter, distribuer ou utiliser un produit antiparasitaire dans des conditions dangereuses.

Il me semble que l'expression «conditions dangereuses» est assez vague. Actuellement,

[Interpretation]

peut alors que le produit relève de la Loi. Cela dépendra de la formule d'utilisation.

Le président: Y a-t-il d'autres questions là-dessus?

L'article 2 est adopté.

Article 3—*Fabrication, etc., dans des conditions dangereuses.*

Le président: Y a-t-il des questions là-dessus?

M. Olson: Je crois que je dois donner un mot d'explication. En l'occurrence, il s'agit là de nouvelles dispositions qui permettent de réglementer la fabrication, la manutention, l'utilisation de ces produits, non seulement pour protéger leur composition, mais aussi pour prévenir tout effet nuisible qui pourrait être causé par certaine manutention malhabile: contamination, par exemple, par l'utilisation d'un matériel-mélange pour les divers produits parasitaires, entreposage de ces produits avec des aliments qui peuvent altérer la qualité des aliments et causer des résidus illégaux.

Le président: Y a-t-il d'autres questions?

Mr. Roy (Laval): Does this clause make provisions, for instance, that a feed mill selling feed shall not be allowed to store weed-killers or insecticides along with the feed?

M. Olson: Monsieur Phillips, voulez-vous, je vous prie, répondre à cette question?

M. Phillips: Je crois que ce serait la Loi relative aux aliments du bétail qui contrôlerait tous les produits ou les composants ou les additifs utilisés dans les aliments. Il y aurait un double contrôle ou une double forme de réglementation; s'il y a là un produit antiparasitaire, on pourra utiliser la Loi sur les produits antiparasitaires, et la Loi relative aux aliments du bétail pour contrôler les aliments comprenant certains produits antiparasitaires.

Mr. Roy (Laval): The clause states the following:

No person shall manufacture, store, display, distribute or use any control product under unsafe conditions.

"Unsafe conditions" is a rather vague expression. Right now, is it not true that feed

[Texte]

les meuneries ne vendent-elles pas des pesticides en même temps que des mélanges de moulées qu'ils fabriquent eux-mêmes sur place? Et si tel est le cas, pourront-elles continuer d'opérer ce genre de commerce? Il me semble que l'interprétation de «dans des conditions dangereuses», peut porter confusion dans ce cas.

The Chairman: That appears in Clause 3(1), the third line.

Mr. Phillips: Mr. Chairman, under the current Feeds Act, for example, there are regulations dealing with a similar product which we have discussed, diethylstilbestrol. Indeed, no one may register a feed with this product in it unless they observe certain precautions which are spelled out with respect to mixing and unless they ensure that another feed does not follow in the mixer without the mixer being cleaned out. That currently appears in the Feeds Act with respect to diethylstilbestrol. The same provision applies if there is another product in the feed of a like nature to diethylstilbestrol that could cause similar problems. So, there is a provision in terms of feeds.

Turning now to this particular clause as Mr. Olson indicated it covers the situation of manufacture and use and it is designed to provide more control over the pesticide manufacturing plant. This is the area where particular reference will be made to ensure that pesticides are manufactured in a safe manner and stored in a safe manner.

The Chairman: Are there any further questions?

M. Roy (Laval): Selon le Bill, la meunerie pourrait-elle continuer de vendre des herbicides ou insecticides ou des produits antiparasitaires? Parce que dans la Loi on dit:

Nul ne doit fabriquer, emmagasiner, présenter, distribuer...

Or une meunerie distribue ces produits et cette opération a lieu au même endroit que là où elle fabrique les moulées actuellement. J'aimerais avoir l'assurance qu'ils pourront continuer le même genre de commerce: moulées et produits antiparasitaires.

Mr. Phillips: Yes. There is no intention of eliminating the sale of these products by feed mills. However, there is the intention—if care is not being taken in the handling of them—to see that care should be taken that feeds are not contaminated.

[Interprétation]

mills set pesticides along with feed mixes which they produce themselves on the spot? And if this is the case, will they be allowed to continue to operate and to sell their products? It seems that the interpretation of this provision "under unsafe conditions" may lead to confusion in this case.

Le président: Cela figure à la troisième ligne de l'article 3 (1).

M. Phillips: Il y aurait des règlements visant des produits similaires, aux termes de la Loi relative aux aliments du bétail, dont le diéthylstilbestrol. Personne ne peut enregistrer un aliment contenant ce produit, à moins de faire observer certaines précautions qui sont bien prescrites pour les mélanges, et à moins de s'assurer que le mélangeur est bien nettoyé. C'est le cas de la Loi sur les aliments du bétail, quant au diéthylstilbestrol. Il en va de même s'il y a d'autres produits ou d'autres composants dans les aliments qui peuvent éventuellement causer des problèmes analogues à ceux que peut causer le diéthylstilbestrol. Par conséquent, il y a maintenant le problème des aliments ou des provendes.

Mais si l'on en vient maintenant à cette disposition, comme M. Olson l'indique, on couvre la situation de la fabrication, de l'utilisation, et l'article vise à assurer un plus grand contrôle sur les fabriques de produits antiparasitaires. Et voilà surtout où on met l'accent, pour assurer simplement que les pesticides sont fabriqués de façon sûre et entreposés de façon sûre.

Le président: Y a-t-il d'autres questions?

Mr. Roy (Laval): According to the bill, will the feed mill be allowed to continue selling these pest control products? We read in the bill that:

No person shall manufacture, store, display, distribute...

Now, feed mills distribute these products and this operation takes place in the same manufacturing unit where feeds are produced. I would like to have the guarantee that they shall be able to continue to sell feeds and pest control products at the same time.

M. Phillips: On ne compte nullement éliminer la vente de ces produits par les minoteries ou les moulins. Mais néanmoins, dans la manutention, on est d'avis qu'il faudrait prendre certaines mesures de prudence pour voir à ce que les aliments ne soient pas contaminés.

[Text]

The Chairman: Are there any further questions?

Mr. Olson: Mr. Chairman, I think I ought to give a further explanation with respect to Clause 3 (2). This subclause provides new authority bearing upon deception. This is only indirectly covered in the present Act and it will permit more specific control over certain labelling, advertising and packaging practices which are presently regulated with some difficulty. For example, the use of numbers in the brand and name of the products which bear no relation to the strength of the products but could be construed as doing so, or potentially hazardous compounds packaged in containers which resemble other commodities. That is under subclause (2) of Clause 3.

The Chairman: Mr. Danforth?

Mr. Danforth: I have one question on this matter, Mr. Chairman. Could there be an infringement of patent rights when it states that on these packages the character, quantity, composition and the value must be shown? I am thinking of particular chemicals which are the result of a complicated formula. Is there any protection for the formula be incorporated on the package?

Mr. Phillips: In that particular area, Mr. Chairman, it is essentially in the current form. With respect to whether there is protection for the manufacturer in relation to patents, I would assume there is no change because the Pest Control Products Act has been in effect since the 1930's.

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Mr. Danforth: Would the very fact that perhaps a patent is pending, or there is not a patent procured as yet, preclude the registering of a chemical if the manufacturer is not disposed to put the formula on the package?

Mr. Williams: Are you referring, Mr. Danforth to Clause 3 (2)?

Mr. Danforth: Yes, sir.

Mr. Williams: It is my understanding that Clause 3 (2) does not require him to put it on, but it requires him not to put anything on that would mislead people in respect of its composition. It does not require him to state the composition of it. It just says that he cannot say something is in it that is not in it.

Mr. Danforth: Am I to understand, then, that it is not necessary under the regulations

[Interpretation]

Le président: Y a-t-il d'autres questions?

M. Olson: Monsieur le président, je crois qu'il y a une autre explication que je dois donner aux termes de l'article 3, paragraphe (2). Ce paragraphe prévoit une nouvelle autorité qui n'est qu'indirectement comprise dans la loi actuelle et qui permettra une réglementation plus spécifique sur l'emballage, l'étiquetage et la réclame, par exemple, pour l'utilisation de chiffres ou de nombres dans la marque de commerce, qui n'ont aucun rapport avec la force du produit, mais qui pourraient donner cette impression. Il s'agit là du paragraphe (2) de l'article 3.

Le président: Monsieur Danforth?

M. Danforth: Monsieur le président, est-ce qu'il pourrait y avoir des infractions de commissions contre les brevets et les droits lorsqu'on dit que l'on doit indiquer la quantité, la nature, la composition et la valeur sur les paquets, sur les emballages? Je songe par exemple à certains produits chimiques dont la formule est assez compliquée. Je me demande simplement s'il existe une protection pour la fabrication, en l'occurrence, ou est-ce que la formulé doit être indiquée sur l'emballage même, sur le paquet?

M. Phillips: Dans ce domaine, monsieur le président, cela dépend si la protection du fabricant qu'intéressent les brevets n'est pas changée. La loi sur les produits antiparasitaires existe depuis les années trente. Je ne pense pas qu'il y ait jamais eu de changement.

M. Danforth: Si un brevet n'avait pas été encore accordé, est-ce que cela pourrait empêcher d'enregistrer un produit chimique si le fabricant n'est pas disposé à indiquer la formule sur le paquet?

M. Williams: Est-ce que vous êtes rendu au paragraphe 2 de l'article 3?

M. Danforth: Oui, monsieur.

M. Williams: Si je comprends bien, le paragraphe 2 de l'article 3 n'oblige pas le fabricant à indiquer la formule sur le paquet, mais simplement à ne pas faire de fausses déclarations. On n'est pas obligé d'indiquer la composition, mais simplement de ne pas dire qu'il y a quelque chose dedans qui n'y est pas.

M. Danforth: Dois-je comprendre, par conséquent, qu'il n'est pas nécessaire, aux termes

[Texte]

to illustrate on the package the composition or the formula?

Mr. Williams: I think that as a general statement we do not require the formula. We may require the ingredients, but without the percentages of each. The normal procedure is that the more important ingredients should be listed. This is largely a poison-control measure and things of this nature, as a protection to the public so that the public is aware or the doctors will be aware in an emergency case as to what the ingredients are; and also guarantees as to efficacy and things of that nature.

Clause 3 agreed to.

The Chairman: On Clause 4—Import, export sale, etc., of control products. Are there questions on Clause 4? Mr. Danforth.

Mr. Danforth: I am particularly interested in this Clause, Mr. Chairman, for two specific reasons. Number one, I wish to have outlined the procedures pertaining to the registering for use in Canada of a chemical. Secondly, I wish to know the procedures when there is available outside the country a chemical which is believed will perform functions advantageous to a producer in Canada—whether or not it is possible under this proposed Act for him to obtain a permit to use such chemicals, or is this prohibited?

In this day and age, when chemicals are ever increasing in their use and value, Canadian producers are, because of past history, prohibited in many instances from using chemicals which could be of direct benefit to production. Since this Clause deals with this might we have some background information on these two areas?

Mr. C. H. Jefferson (Director of Plant Products Division, Department of Agriculture): Mr. Chairman, with respect to the registration procedure it would likely be very much as at present. Generally it is this: the person wishing to offer a pest control product is obliged to apply for registration and submit information with respect to his product along the following lines: a description of the product in terms of its composition, a description of the purposes for which he wishes to sell it, and the directions for use—these would be the claims and the directions for use—and, if it is a new product, evidence to support his claims that when the product is used as directed it

[Interprétation]

des règlements, d'indiquer sur l'emballage la composition ou la formule?

M. Williams: Nous n'obligeons pas le fabricant à indiquer la formule. Les ingrédients peuvent être, mais sans nécessairement les proportions. La procédure normale veut que les ingrédients les plus importants soient énumérés. C'est surtout là une mesure de réglementation, une mesure de contrôle pour protéger le public, afin que le public connaisse, ou que les médecins connaissent, les ingrédients en cas d'urgence.

L'article 3 est adopté.

Le président: Article 4: Importation, exportation, vente, etc. de produits de protection. Y a-t-il des questions sur l'article 4? Monsieur Danforth.

M. Danforth: Je m'intéresse notamment à cet article-là, monsieur le président, pour deux raisons bien précises. Tout d'abord, j'aimerais qu'on m'explique la filière que doit suivre l'enregistrement pour l'utilisation, au Canada, de produits chimiques et, deuxièmement, j'aimerais connaître la façon de procéder s'il existe en dehors du pays un produit chimique qui peut être utile ou avantageux à nos producteurs canadiens. J'aimerais notamment savoir si, aux termes de la loi, il serait possible de pouvoir utiliser ces produits chimiques ou si cela est interdit?

Je crois qu'à l'heure actuelle, alors que les produits chimiques deviennent de plus en plus utilisés et de plus en plus chers aussi, les Canadiens, dans bien des cas, ont interdit l'utilisation de produits chimiques qui auraient pu avantager la production directement. Puisque l'article porte justement sur cette question, je me demande si nous pouvons avoir certains renseignements de base là-dessus.

M. C. H. Jefferson (directeur de la division des produits végétaux, ministère de l'Agriculture): En ce qui a trait à la procédure d'enregistrement, aux formalités d'enregistrement, elles seraient les mêmes qu'à l'heure actuelle. Quelqu'un qui désire offrir un produit antiparasitaire doit présenter une demande d'enregistrement et donner des renseignements au sujet de ce produit, soit: une description du produit au point de vue composition, une posologie des conditions d'utilisation, et s'il s'agit d'un nouveau produit, des preuves pour appuyer ses revendications, à savoir que lorsque le produit sera utilisé, il aura les effets qu'il prétend qu'il aura, preuve montrant que

[Text]

will perform in the manner in which he claims it will, evidence that when it is so used it will not result in serious damage to the health of livestock, for example, humans, and nowadays in terms of wildlife, that it will not be damaging to useful plants, again when it is used in accordance with the directions for use.

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This information supplied by the manufacturer is of his own generation, if you like, produced within the corporate structure, but in addition a great deal of it has been provided by private research organizations that specialize in developing information for their clients. In the case of evidence on usefulness, a good deal of that comes from work which is done in Canada on research stations of the Department of Agriculture.

We satisfy ourselves that this information does confirm that the product will be useful, that it will be practical under Canadian conditions and will not create a health hazard. Incidentally, talking about health, we are concerned here about the residue problem relative to the provisions of the Food and Drugs Act and the advice of the Department of National Health and Welfare is relied on in interpreting the data and in interpreting its significance in the Canadian context. Does that answer satisfactorily the first question, Mr. Chairman?

The Chairman: Mr. Danforth?

Mr. Danforth: Mr. Chairman, I would like him to continue and deal with number two and then I may pose some questions afterwards.

The Chairman: Could you give us a brief review of your second question?

Mr. Danforth: Yes, my second part was that I am very much concerned about the fact that there seems to be a tremendous time lapse between when certain chemicals in other countries are accepted and used before it is possible for primary producers to either get the permit to import this commodity into Canada or have it available for use. Are there any procedures whereby a primary producer may obtain a permit to import this for experimental purposes? What are the mechanics behind this particular aspect of the use of these chemicals?

Mr. Jefferson: At the present time, Mr. Chairman, an individual user who may wish

[Interpretation]

lorsque le produit sera utilisé, il n'aura aucun résultat nuisible ou d'effet nuisible sur la santé, par exemple, du bétail, des humains, et sur la faune; qu'il n'aura pas d'effet nuisible sur des plantes utiles. Encore une fois, lorsque le produit sera utilisé selon la posologie indiquée ou le mode d'emploi indiqué.

Ces renseignements doivent être fournis par le fabricant, de son propre chef. Outre cela, des organismes privés de recherche peuvent fournir les renseignements à leurs clients, au nom de leurs clients, dans le cas de preuves et de témoignages sur l'utilité du produit. Ces témoignages émanent la plupart du temps des travaux qui sont accomplis au Canada dans les stations de recherche du ministère de l'Agriculture.

Nous sommes convaincus que ces renseignements confirment que le produit sera utile et qu'il sera conforme aux conditions canadiennes, qu'il ne créera pas de menace à la santé, et, soit dit en passant, à propos de santé, nous nous préoccupons en l'occurrence du problème des résidus, conformément aux dispositions de la *Loi sur les aliments et drogues*, et l'avis du ministère de la Santé nationale et du Bien-être social nous permettra d'interpréter les données et la signification de ces données dans un contexte canadien.

Est-ce que cela répond de façon satisfaisante à la première question qu'on a posée, monsieur le président?

Le président: Monsieur Danforth?

M. Danforth: Monsieur le président, j'aimerais que le témoin puisse répondre à la question n° 2. Je pourrais peut-être y revenir et poser d'autres questions.

Le président: Pouvez-vous répéter votre deuxième question?

M. Danforth: Bien. Je me préoccupe du fait qu'il semble y avoir beaucoup d'écart de temps entre la période à laquelle ou la date à laquelle, les produits chimiques sont utilisés à l'étranger et acceptés à l'étranger avant que nos producteurs primaires ici, au Canada, puissent obtenir le permis d'importer ce produit au Canada ou de pouvoir s'en servir de quelque façon. Je me demande s'il y a une façon de procéder en vertu de laquelle le producteur primaire peut obtenir un permis d'importation, et quels sont les rouages, quel est le mécanisme, pour obtenir l'utilisation de ce produit à l'heure actuelle.

M. Jefferson: Un usager particulier qui désire importer un produit antiparasitaire qui

[Texte]

to bring in a pest control product which has not been registered for sale in Canada may do so. There is no prohibition against his importing such a product for his own use—provided his use is not for sale—if it is used on his own premises for his own purposes. There is some concern about this present situation, and the proposed Bill would provide authority to prohibit such importations where the use of a product would result in damage to third parties through the creation of residues, for example, or damage to wild-life, livestock or beneficial plants.

Mr. Danforth: Mr. Chairman, may I ask a supplementary? Dealing with the second answer first, may I ask whether, in the registration of these products or their licensing for import into Canada, it is a rule of the government to accept the registration or information furnished by the country of export?

To put it another way, if a chemical is used extensively, say, in the United States for a certain specific purpose and this chemical is not registered in Canada, or is not used in Canada, if an application comes for registration by the manufacturer, is the Canadian government disposed to accept the qualifications and certification of another country in this regard, or do we have to go through the preliminary of the information as outlined in your first answer?

Mr. Jefferson: Mr. Chairman, the answer to that is yes and no. The problem that we are faced with is interpreting the approval in another country in terms of Canadian conditions. It is not so much a matter of questioning the validity of the decision that was made for registration or use in another country; it is in determining whether or not the criteria that were used and the evidence available would be applicable to our climatic conditions, methods of use, crop rotation, and the other environmental factors that determine whether or not its use is going to be efficacious in Canada and safe within the limits that are prescribed.

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Delay occurs in having this transfer of information that can be reviewed in the Canadian context to determine whether or not the product does meet the basic requirements for safe and effective use in Canada.

Mr. Danforth: Mr. Chairman, I have other questions along this line, but I am prepared

[Interprétation]

n'est pas enregistré pour la vente au Canada, peut le faire. Il n'y a pas d'interdiction. Rien ne l'empêche d'importer ce produit pour son propre usage, pourvu qu'il ne s'en serve pas pour la vente, qu'il s'en serve à ses propres fins sur sa propriété. Cependant, on s'inquiète quelque peu de cette situation et le bill envisagé permettrait d'interdire cette importation lorsque l'utilisation du produit risquerait de créer des dommages pour une tierce partie par la création de résidus, d'effets nuisibles pour des plantes utiles au bétail ou à la faune.

M. Danforth: Monsieur le président, une question supplémentaire? D'abord, au sujet de cette deuxième réponse, puis-je demander si lors de l'enregistrement de ces substances ou de l'octroi d'un permis visant leur importation au Canada, est-ce que le gouvernement, de façon générale, accepte l'enregistrement ou les renseignements fournis par le pays exportateur?

Autrement dit, si des produits chimiques sont beaucoup utilisés aux États-Unis maintenant, pour certaines fins particulières, et si ce produit chimique n'est pas enregistré ou utilisé au Canada, si le fabricant présente une demande, est-ce que le gouvernement accepte la certification, l'enregistrement, les renseignements d'un autre pays à cet égard, ou est-ce qu'il faut de nouveau suivre toute la filière préliminaire que vous avez exposée dans votre première réponse?

M. Jefferson: Monsieur le président la réponse est oui et non. Le problème qui se pose, en l'occurrence, c'est celui d'interpréter l'approbation donnée dans un autre pays vis-à-vis ces conditions qui existent au Canada. Il ne s'agit pas tellement de mettre en doute la validité de la décision qui a pu être faite pour l'enregistrement ou l'utilisation dans un autre pays; il s'agit plutôt de déterminer si les critères utilisés et les preuves disponibles peuvent s'appliquer à nos propres conditions climatiques, aux autres méthodes d'utilisation, au roulement des récoltes et à d'autres facteurs relatifs au milieu qui déterminent si oui ou non l'utilisation de ce produit sera sans difficulté ou menace au Canada.

Voilà ce qui peut causer un délai, notamment dans le cas de la transmission de renseignements qui peuvent être révisés dans le contexte canadien pour déterminer si oui ou non le produit est conforme aux conditions de base pour une utilisation sûre et efficace.

M. Danforth: Monsieur le président, j'aurais d'autres questions à poser dans ce

[Text]

to pass now in favour of other gentlemen if I may be allowed to return.

The Chairman: Yes, I will recognize Mr. Gleave; I am not crowded at the moment, I will recognize Mr. Gleave and then back to you and Mr. Peters.

Mr. Gleave: Thank you. This brings me back to the question I posed earlier this afternoon, in answer to which some information was given concerning the amount of money we had spent in investigating the sources of these kinds of pesticides. I think we cannot make an evaluation of what a pesticide will do and what its effect will be on the surrounding area unless we do some basic investigation into its source and the effect the various ingredients will have. The information I asked for last Tuesday is, what kind of investigation do we carry out in these areas?

Mr. Olson: Mr. Chairman, if I may answer in a preliminary way, the statistics we provided today in response to your question gives you a pretty good indication of how much we spend in terms of dollars and man-hours on pest product testing, and then on how much we have spent on research into the area of pesticides other than product testing. Then there is some further testing that is done by departments other than the Department of Agriculture that was also laid out in the information we filed today.

Mr. Gleave: If you are going to judge the quality of a chemical that is coming in, say, from overseas or from across a line—and they come both ways—do you test these chemicals at the plants in Canada, or do you test their reactions and then use this as a basis for judging chemicals that you import? If I caught the answer to the question, you almost said: “Well, we judge what happens after they are brought in”, but this may be a bit late. How do you arrive at a decision on what to let in, or what to permit to be manufactured and distributed in Canada?

Mr. Olson: Mr. Chairman, there are several considerations that would be involved in our reaching that decision. In the first instance I suppose it is a technical decision based, first of all, on the evidence that is presented to us wherever it may come from, and relating that to Canadian conditions, and I can give you a number of examples. One, of course, is the diet; how much of the particular food is used in the diet.

[Interpretation]

domaine, mais je suis prêt à céder la parole à d'autres. Je pourrai revenir là-dessus un peu plus tard.

Le président: J'accorde la parole à M. Gleave. Je n'ai pas une liste très longue pour ce moment, et puis je reviendrai à vous.

M. Gleave: Merci. Ceci me ramène à la question que j'avais posée plus tôt cet après-midi. On nous a donné certains renseignements sur des dépenses que nous avons faites afin de faire enquête sur les sources de ce genre de pesticides. A mon avis, nous ne pouvons pas deviner quels seront les effets des produits antiparasitaires sur le milieu immédiat, à moins de faire des enquêtes sur la provenance et sur les effets des divers ingrédients. Par conséquent, les renseignements que j'ai demandés, jeudi dernier, sont les suivants: Quel genre d'enquêtes faisons-nous, en l'occurrence?

M. Olson: Monsieur le président, si vous me permettez de répondre de façon concise, les données statistiques que nous vous avons fournies aujourd'hui, en réponse à votre question, vous indiquent assez bien combien nous dépensons d'argent et d'heures-hommes à faire des relevés et des enquêtes et comment nous dépensons en frais de recherches dans le domaine des pesticides outre l'utilisation du produit. Et il y a aussi des essais qui sont faits par d'autres services du ministère de l'Agriculture et le résultat de ces essais a été mentionné dans les renseignements que nous vous avons transmis aujourd'hui.

M. Gleave: Si vous voulez arrêter une décision sur la qualité des produits chimiques, par exemple, qui viennent d'outre-mer ou d'outre frontière, et les deux s'appliquent, est-ce que vous faites l'essai de ces produits chimiques fabriqués au Canada? Est-ce que vous vérifiez les produits importés d'après les réactions obtenues? Si j'ai bien compris votre réponse, vous avez presque dit: «Nous attendons pour voir quels sont les effets, une fois que ces produits ont été importés». Mais il est peut-être trop tard. Comment en venez-vous à une décision quant à ce qui peut être importé ou fabriqué ou distribué au Canada?

M. Olson: Monsieur le président, plusieurs considérations entrent en ligne de compte. Tout d'abord, je suppose qu'il s'agit là d'une décision d'ordre technique fondée sur les preuves qui ont été fournies quelle qu'en soit la provenance, se rattachant ensuite aux conditions canadiennes, et je puis vous citer bon nombre d'exemples. Notamment, la diète; combien de tel ou tel aliment est utilisé.

[Texte]

The second one, for example, is whether it was tested in an area of where there is very high rainfall and this was to be used in a dry area. Southern Alberta where I come from is a good example, the conditions are not the same at all because the rainfall could wash these plants clean under normal conditions and then that would not happen. That is not all that is involved, but I think it should be made clear that the regulations insofar as the use and approval of using these chemicals in Canada are decided in Canada. But we do in fact use or take into account the evidence that is presented to us on the basis of trials that are made wherever the chemical has been tested, whether it is in the United States, or any other place.

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So I think what you have to appreciate is that if conditions are the same, there may not need to be a great deal of further testing. But if they are not the same, climatic conditions and other conditions that are pertinent to this situation, then we may on the basis of a technical evaluation need to do some additional testing. Perhaps Mr. Phillips or Mr. Jefferson may want to add something, but we have to be satisfied that these same results can be expected under Canadian conditions as the results where they were, in fact, tested.

The Chairman: Have you any further comment? Mr. Jefferson?

Mr. Jefferson: Mr. Chairman, agricultural pesticides, particularly those that are used in field applications of one kind or another, apply more and more to livestock applications too. The effectiveness of the pesticide is conditioned very greatly by the management practice that is used, and it is becoming more and more necessary to have at least one season's trial of use under Canadian conditions to determine whether or not the product will be satisfactory. For field application pesticides, a period of perhaps two or three years is more usual.

I might add too, Mr. Chairman, that many of the pesticide manufacturing companies are international in character and when a new product is originated and enters a test scheme, whether it originates in Germany, Japan, the United Kingdom or the United States, it in all likelihood will get into Canadian trials long before it reaches commercial stage in any country. The thing that holds up its introduction perhaps for commer-

[Interprétation]

Deuxièmement, par exemple, si le test est fait dans une région où il y a une forte précipitation et que le produit doit être utilisé dans une région plutôt aride comme dans le sud de l'Alberta, d'où je viens, les conditions ne sont pas les mêmes du tout qu'ailleurs, parce que la précipitation pourrait fort bien nettoyer ces plantes dans des conditions normales. Ce n'est pas tout ce qui est en cause, mais je crois qu'il convient de bien savoir que les règlements intéressant l'application, l'utilisation et l'approbation pour l'utilisation de ces produits chimiques au Canada, font l'objet d'une décision au Canada. Mais nous tenons compte des preuves qui nous sont présentées par suite des essais qui ont été faits dans le pays où le produit chimique a été vérifié, qu'il s'agisse des États-Unis ou d'un autre pays.

Ce qu'il faut bien savoir c'est que si les conditions sont les mêmes, peut-être n'aurons-nous pas besoin de faire beaucoup d'autres tests, mais si les conditions ne sont pas les mêmes, les conditions climatiques et autres qui sont propres à la situation, il se peut que compte tenu d'une évaluation technique, nous devions faire d'autres essais. Peut-être M. Phillips ou M. Jefferson voudront-ils ajouter quelque chose. Il faut que nous soyons convaincus que les mêmes résultats, les mêmes effets pourront être réalisés dans les conditions canadiennes que là où on a fait les examens.

Le président: Avez-vous des commentaires, monsieur Jefferson?

M. Jefferson: Monsieur le président, les pesticides agricoles, surtout ceux qu'on emploie dans le champ, et cela s'applique de plus en plus au bétail, l'efficacité du pesticide est conditionnée par la méthode administrative qu'on emploie, et de plus en plus, il devient nécessaire de faire au moins un essai d'un an, en vertu des conditions canadiennes pour déterminer si oui ou non le produit sera satisfaisant. Pour les pesticides à être employés dans le champ, une période de deux ou trois ans est plus usitée.

Je pourrais aussi ajouter, monsieur le président, que plusieurs des fabricants de pesticides sont internationaux, et lorsqu'un nouveau produit est mis sur le marché ou est produit, mettons qu'il ait son origine au Japon, aux États-Unis ou ailleurs, il aura des essais au Canada, de toute façon, bien avant qu'on n'en arrive à l'étape de commercialisation dans n'importe quel pays. Ce qui empêche peut-être la commercialisation au Canada

[Text]

cial use in Canada, more than in some other countries, is that perhaps more care is taken to assure that its use will be compatible with our Canadian way of doing things.

Mr. Gleave: The thing I am thinking of in essence is control, that is, in the ability of the user to use it without doing more than he intends to do, if you follow what I mean. That is, he wants to destroy certain insects or certain things and in the process, as I have observed it, he quite often destroys a great deal more. Do you conduct investigations or follow through to see that there is not a residue left or that it is not destroying a great deal more than what is its real intent?

Mr. Jefferson: Mr. Chairman, the program of monitoring the use of pesticides in the environment within the context of agriculture and the impact of use in forest applications is a developing one, and a good deal more information in the monitoring sense is being developed now than say even 10 years ago. So that there is a follow-up procedure which measures not only the residue level but the effective use in terms of the ecological system in which we live.

In this legislation there would be authority to withdraw pesticides which this type of experience had shown were creating problems and hazards in excess of those which we are prepared to tolerate. Does this help answer that?

• 2105

Mr. Gleave: Yes it does. This actually is what I am concerned about as much as anything, that surely we know we can take a given chemical and we can destroy what we want to destroy, but we destroy a great deal more as well which we do not want to destroy. This is what I am concerned about in this field, that we be selective and exercise the control and if a particular chemical is not going to be selective enough we rule it out until we get one that is selective enough. This is what I am concerned about.

Mr. Peters: A good example is where you try to kill the dandelions on a lawn. In getting rid of the dandelions, you get rid of all the clover and the neighbour's blueberry bushes, and your roses and everything else.

What I would like to know is what facility do we have available for chemical testing, not so much how it works. The company will say it contains in analysis so much and so much and so much. What facilities do we have to arrive at this chemical analysis.

[Interpretation]

plus qu'ailleurs, c'est que peut-être on prend beaucoup plus soin de vérifier que son usage, son utilité soit compatible avec les méthodes canadiennes.

M. Gleave: Ce à quoi je songe essentiellement, c'est le contrôle, la réglementation, soit la capacité de celui qui l'utilise de l'employer sans faire plus qu'il n'avait l'intention de faire, si vous savez ce que je veux dire. Il veut détruire certains parasites, certains insectes ou certaines choses, et au cours de ce procédé, il détruit probablement beaucoup plus. Est-ce que vous conduisez des enquêtes pour savoir si un produit ne laisse aucun résidu ou pour savoir s'il détruit beaucoup plus que son objectif, que son objet?

M. Jefferson: Monsieur le président, le programme de réglementation des pesticides dans le milieu même de l'agriculture et dans l'application forestière évolue toujours. Et dans le sens du contrôle, on obtient beaucoup plus de renseignements aujourd'hui qu'il y a dix ans. Par conséquent, on suit de très près la méthode et la procédure pour mesurer non seulement le niveau de résidu, mais l'efficacité en ce qui concerne le régime écologique dans lequel nous vivons.

Dans cette mesure législative se trouverait une autorisation pour retirer les pesticides qui, d'après l'expérience créeraient des problèmes et des menaces dépassant ce que nous sommes prêts à tolérer.

Est-ce que cela répond à votre question?

M. Gleave: Oui. C'est un peu ce qui me préoccupe autant que n'importe quoi. C'est qu'assurément nous savons que nous pouvons prendre un produit chimique et détruire ce que nous voulons détruire, mais nous détruisons beaucoup plus que nous voulons et que nous n'avons pas l'intention, que nous ne voulons pas détruire. C'est ce qui me préoccupe dans ce domaine. Choisissons ce que nous voulons détruire et exerçons un certain contrôle. Si un produit chimique n'est pas suffisamment conforme à son objet, éliminons-le jusqu'à ce que nous en ayons un qui le soit.

M. Peters: Un bon exemple, c'est lorsque vous essayez de détruire les mauvaises herbes dans le gazon et que vous détruisez tout le reste, vos rosiers y compris.

Ce que je voudrais savoir, c'est qu'est-ce que nous avons à notre disposition à l'heure actuelle, pour un essai clinique. Non pas pour savoir comment cela fonctionne, mais au cas où la compagnie dirait que dans leur analyse on a tant de proportion de telle chose. Quelles sont les dispositions que nous avons pour en arriver à l'analyse chimique?

[Texte]

Mr. Jefferson: Mr. Chairman, the Department has analytical facilities, two laboratories of its own, one in the West and one in Ottawa, staffed with chemists and other analysts who are able to determine the composition of formulations so that a comparison can be made between what they actually contain and what they are represented to contain.

Mr. Peters: What tolerance would you consider to be reasonable?

Mr. Jefferson: The tolerance varies with the product and with the precision of the resolving power of the analytical technique available. By and large it would range—percentages can be misleading here—anywhere from a part of a percentage to perhaps a plus or minus 10 or 15 per cent.

We also have biological testing facilities, in other words to test the biological response quite apart from what the chemical might be.

Mr. Peters: This tolerance that you have, will that depend on rate of application? Some of these are very highly effective for many things that would not have too much of a tolerance. Like the dandelion spray. Maybe it should not get rid of clover, but it does if you apply it a little heavier than you are supposed to. If you have ever put it on, you have a bar, you run it across the ground, it depends whether you go faster, or whether your wife does it, or how it is conducted. There is a normal tolerance of application.

Mr. Jefferson: In terms of the provisions of the bill, there would be authority here to regulate with respect to this particular point that you are raising. It would have an effect on the composition of the strength if you like, of the formulation.

I think perhaps the point, Mr. Chairman, that is being raised here is that a very highly concentrated material, an old one, nicotine sulphate 40 per cent, for example, which we have lived with for a long, long time, is a very potent material and if it is used indiscreetly in a very small amount it can be extremely damaging. The authority would be here if the circumstances were so dictated to not permit that powerful a product to be available for people to misuse or with which to have accidents. I think the authority would be here to regulate, to make products safer in that context.

• 2110

Mr. Peters: I have another question. Mr. Danforth mentioned the fact that in specialized fields—I think suckering tobacco and

[Interprétation]

M. Jefferson: Monsieur le président, le ministère a des installations d'analyse, deux laboratoires qui lui appartiennent un dans l'Ouest et l'autre à Ottawa, dont le personnel se compose de chimistes et d'autres analystes qui peuvent déterminer la composition des formules des produits afin de pouvoir comparer ce que ces produits contiennent et ce qu'on prétend qu'ils contiennent.

M. Peters: Quelle est la tolérance admissible?

M. Jefferson: La tolérance varie selon le produit et selon la précision même de résoudre la technique analytique. Dans les grandes lignes, les proportions évidemment peuvent nous tromper, mais tout cela peut varier d'une partie des proportions jusqu'à plus ou moins 10 p. 100. Nous avons aussi des installations pour les essais biologiques, pour vérifier les réactions biologiques.

M. Peters: La tolérance que vous obtenez, est-ce que cela dépend de la mesure d'emploi, la quantité appliquée? Il n'y aurait pas tellement de tolérance, n'est-ce pas? On ne prétend peut-être pas que cela va détruire, mais en fait elle le fait. C'est peut-être une des choses qu'on n'est pas censé détruire, n'est-ce pas? Si vous l'appliquez, cela dépend si vous allez vite ou non, ou si votre femme le fait, ou aussi la façon de le faire.

M. Jefferson: Selon les dispositions du bill, il y aurait pouvoir pour réglementer en ce qui concerne le point particulier que vous soulevez.

Il y aurait effet sur la composition, sur la force de la formule.

Le sulphate de nicotine dont nous nous servons depuis plusieurs années est très fort et si on l'employait sans discernement en très petite quantité, cela pourrait être dangereux. Le pouvoir nous serait donné, si les circonstances étaient telles que cela serait justifié, de ne pas permettre un produit aussi puissant dont les gens pourraient se servir et qui pourrait être cause d'accident. Nous aurions toute autorisation voulue pour réglementer l'emploi de ce produit.

M. Peters: M. Danforth a mentionné le fait que dans les domaines spécialisés, le tabac et autres domaines hautement spécialisés, on

[Text]

probably other very specialized fields were mentioned—work is done in universities and in private operations in the United States or other countries. Do we anticipate allowing control by independent bodies? For instance, a large farmer may want to try a plot of it, or try some experimenting by himself. Is there provision for us to supervise his own campaign? This is not in the manufacturing sense. It is in the consumer sense.

Mr. Olson: Could I refer you to clause 5(f), Mr. Peters?

Mr. Peters: Yes, that answers it.

The Chairman: Mr. Danforth had a question.

Mr. Danforth: As a first supplementary question, may I ask in the laboratory work on this, do you have, accurate quantitative analysis as compared to qualitative analysis?

Mr. Jefferson: Mr. Chairman, I would say the answer to that is yes. In both the qualitative and the quantitative sense the analytical techniques are quite good and getting better.

Mr. Danforth: Mr. Chairman to return to my original line of questioning. Is it more difficult for a private individual or a new firm in Canada to obtain a registration for a chemical to be used as compared to an established international company?

Mr. Williams: Mr. Chairman, it might be more difficult for a new firm to obtain it because they would not be familiar with it, but the difficulty would not arise simply because they were a new firm. We must presume that if it is a new firm, they are relatively unaware of the techniques and so forth of making applications, but it is only on that basis that I am making that statement.

I would suggest that if it is a very small firm, they might have more difficulty than a very large firm, because despite the size of the firm in general we require the same level of information depending upon the potential danger of the product. Once again, if it appears to be a potentially dangerous product or a product that may be of little use to the farmer, we may require much more exhaustive information than if, on the face of it, it appears to be a very useful and relatively harmless product.

[Interpretation]

effectue un certain travail dans les universités et certaines opérations aux États-Unis et dans d'autres pays. Est-ce que nous prévoyons qu'il y aura une certaine réglementation de la part d'organismes indépendants si le propriétaire d'une grande entreprise agricole, par exemple, veut tenter une expérience par lui-même? Est-ce qu'on prévoit une surveillance de ces essais? Non pas dans le sens de la fabrication, mais dans le sens du consommateur, de la consommation.

M. Olson: Puis-je vous demander de vous reporter au paragraphe 5 (f), monsieur Peters?

M. Peters: Oui, la réponse y est.

Le président: M. Danforth avait une question à poser.

M. Danforth: Monsieur le président, comme première question supplémentaire, est-ce que je pourrais demander si dans le travail de laboratoire qui s'accomplit, vous obtenez une analyse quantitative exacte, quantitative par rapport à l'analyse exacte qualitative?

M. Jefferson: Je dirai, monsieur le président, que la réponse est affirmative, dans les deux sens, qualité et quantité.

Les techniques analytiques sont excellentes et progressent et s'améliorent toujours.

M. Danforth: Pour revenir maintenant aux questions que je posais auparavant, est-il plus difficile pour un particulier ou une société au Canada d'obtenir l'enregistrement pour l'emploi d'un produit chimique, en comparaison à une compagnie déjà établie qui serait internationale?

M. Williams: Monsieur le président, ce serait peut-être plus difficile pour une nouvelle compagnie de l'obtenir, car on ne connaîtrait pas la compagnie, mais les difficultés ne surgiraient pas en raison du fait qu'il s'agit d'une nouvelle compagnie. Nous devons présumer que s'il s'agit d'une nouvelle compagnie, ils ne connaissent peut-être pas toutes les techniques de demander l'enregistrement. Mais c'est seulement en raison de cela.

S'il s'agit d'une très petite société, elle aurait peut-être beaucoup plus de difficultés qu'une grande société, car peu importe l'importance de la société, nous exigeons le même genre de renseignements selon la possibilité de menace du produit. Encore une fois, si le produit peut être dangereux ou si le produit n'est pas d'une grande utilité pour le cultivateur, nous exigeons beaucoup plus de renseignements que si au prime abord le produit semble utile et relativement anodin.

[Texte]

In general we follow the practice that if our production research people are of the view that any new chemical may be of value to the Canadian farmers, these production research people in general obtain authority to work with it and will provide information under Canadian conditions that is supplementary to any information that may be required from the manufacturer. But this once again is a judgment decision by our production research people based upon research findings elsewhere in the world, based upon our own preliminary research findings in which they may wish to test a product very quickly to get it into use in Canada, and based once again upon their assessment of its potential value to the Canadian agricultural public.

Mr. Danforth: I have another supplementary question, Mr. Chairman. In the allocation of a chemical, for example, to a research station, can this product that is allocated for testing be an unregistered product or must it be registered?

Mr. Williams: It does not need to be registered at that stage.

Mr. Danforth: Mr. Chairman, I think Mr. Williams is quite aware of a specific problem that we are facing in this regard. An attempt has been made to register a certain chemical for six years. It seems that all the preliminary qualifications have been met, although there is a difference of opinion between the departmental men who applied the chemical as a test and the various primary producers who have been using the chemical and feel that it lives up to all the prescribed specifications. I wonder if there is any way such a stalemate can be resolved.

• 2115

Mr. Williams: Under the present legislation, yes. The stalemate can be resolved by the people who wish to use this chemical if they obtain it on a prescription basis from the manufacturer. In other words, under the present legislation there is no restriction on a person using a product on a prescription basis. That is to say, I can go to a drug store and order almost anything that is not illegal under any other Act—such as the Act dealing with dangerous poisons or hazardous substances—and ask the druggist to make it up and I can put it on my tomatoes, my cucumbers, or whatever I might wish to put it on. However, in the case in question our research people are continuing to do work on this product and, as I am sure you are aware, we

[Interprétation]

En général, nous suivons la pratique par laquelle, si nos chercheurs estiment qu'un nouveau produit chimique peut être utile aux cultivateurs, d'habitude ce personnel obtient l'autorisation de travailler sur ce produit pour obtenir les conditions strictement canadiennes et ensuite exiger les conditions supplémentaires nécessaires de la part du fabricant. Encore une fois, ce travail est fait par nos chercheurs en se fondant sur ce qui a été fait dans les autres pays et aussi dans le domaine où ils voudront établir de nouveaux essais, selon la possibilité de valeur pour le peuple canadien.

M. Danforth: Une autre question supplémentaire, monsieur le président. Dans l'allocation d'un produit chimique, à votre station de recherches, par exemple, est-ce qu'un produit livré aux essais et à la recherche, est enregistré ou non?

M. Williams: Il n'est pas nécessaire qu'il soit enregistré à cette étape-là.

M. Danforth: Je crois que M. Williams connaît très bien un problème précis auquel nous faisons face à cet égard. On tente d'enregistrer un certain produit chimique depuis six ans. Il semble qu'on ait rencontré toutes les exigences préliminaires sauf qu'il y a divergence de vues entre les fonctionnaires du ministère qui ont appliqué ou qui ont fait l'essai du produit et les divers agriculteurs qui ont employé le produit chimique et qui semblent croire que toutes les exigences prescrites vis-à-vis de ce produit chimique ont été rencontrées. Je me demande s'il y a moyen de résoudre cette impasse.

M. Williams: En vertu de la présente loi, oui, il est possible de contourner cette impasse, par ceux qui veulent employer ces produits chimiques, ils peuvent l'obtenir sur ordonnance directement du fabricant. En vertu de la présente loi, il n'y a aucune restriction pour la personne qui veut employer un certain produit sur ordonnance. C'est-à-dire que je pourrais aller me présenter à une pharmacie et demander à peu près tout, sauf ce qui serait illégal en vertu d'une autre loi, telle qu'une loi sur les poisons ou les substances dangereuses et l'appliquer sur mes concombres ou mes tomates ou n'importe quelle autre plante. Mais dans le cas qui nous préoccupe, nos chercheurs continuent à travailler sur le produit. Et à l'heure actuelle,

[Text]

have conflicting evidence with which to face the administrators of the Pest Control Products Act.

On one side we have statements from producers that this product is useful to them. On the other hand we have presumably scientific evidence based on carefully controlled studies conducted by our research station at one of our large labs and it has produced evidence—I do not think we should refer to the product—which does not substantiate some of the evidence that has been put forward by producers. At the present time the work is continuing. That is all I can say, Mr. Danforth.

Mr. Danforth: Mr. Chairman, in reply to Mr. Williams' allegation with respect to this specific problem, I am quite aware that the research station is co-operating and I am fully aware of the problem. However, I hope that in some way this matter can be resolved so that we can arrive at a solution. It seems to me that a six year delay in trying to have a chemical registered is unduly long.

There is one further question I would like to ask. Mr. Williams said that producers may be able to obtain this chemical under a prescription. If such is the case, where does the line of control of the use of a chemical fall? If the primary producer is using an unregistered chemical, is he prohibited from selling his produce? Is he subjected to extraordinary inspection of his produce? Where is the line of demarcation? Where do we go from here on this?

Mr. Williams: At the present time under the current Act the line of demarcation lies basically with the word "sale" rather than the word "use." This bill proposes to change that; it is a question of the use of the product rather than the sale of the product. At the present time it is a question of the sale of the product being prohibited under the Act.

Presumably if a person wishes to go into a drug store and ask the druggist to mix up such and such chemicals, he is entitled to do so as long as they are legal chemicals, and he is entitled to do whatever he might wish with these chemicals to his own crops. This is always subject, of course, to the proviso that if they produce a residue that is unacceptable to the Food and Drug Directorate, he will not be allowed to sell those crops.

Mr. Danforth: Would he be subject to compensation?

Mr. Williams: No, because under the compensation section that we have dealt with it

[Interpretation]

comme vous le savez, nous avons des preuves divergentes qui ont été présentées aux fonctionnaires chargés de l'application de la Loi sur le contrôle des produits antiparasitaires.

D'une part nous avons des déclarations d'agriculteurs prouvant qu'il s'agit d'un produit utile et d'autre part, nous avons des preuves scientifiques fondées sur des essais précis effectués par nos stations de recherche qui nous ont prouvé le contraire des témoignages avancés par les producteurs. A l'heure actuelle, le travail se continue. C'est tout ce que je peux dire, monsieur Danforth.

M. Danforth: Dans l'allusion faite par M. Williams à ce produit particulier, permettez-moi de dire que je suis tout à fait au courant du fait que la station de recherches collabore. Et j'espère qu'on trouvera moyen d'arriver à une solution, car un délai ou un retard de six ans pour obtenir l'enregistrement d'un produit chimique, me semble un peu trop long.

Il y a une autre question que je voudrais poser à M. Williams, monsieur le président. Il a dit que les producteurs pourraient peut-être obtenir le produit chimique en vertu d'une ordonnance. Si tel est le cas, monsieur le président, où se trouve la ligne de démarcation de la réglementation du produit chimique? Si l'agriculteur emploie un produit en vertu d'une ordonnance, lui défend-on de vendre sa récolte? Ou doit-il subir une inspection extraordinaire? Où se trouve la ligne de démarcation? Où allons-nous?

M. Williams: A l'heure actuelle, la ligne de démarcation en vertu de la loi courante, la loi actuelle, se trouve dans l'expression «vente», plutôt que dans l'expression «emploi». Le présent bill veut changer tout cela. C'est-à-dire que nous voulons réglementer l'emploi plutôt que la vente, du produit prohibé. L'on pourrait peut-être présumer que si une personne entrait dans une pharmacie et demandait au pharmacien de lui préparer tels et tels produits chimiques, en autant que les produits sont légaux, il pourrait le faire. Il pourrait les employer tel que bon lui semblerait sur sa propre terre. Évidemment, s'il y avait des résidus qui ne seraient pas acceptables pour la Direction des aliments et drogues, on ne lui permettrait pas de vendre ses produits.

M. Danforth: Est-ce qu'il pourrait avoir droit à l'indemnité?

M. Williams: Non, car en vertu de l'article visant l'indemnisation, seuls les produits ou

[Texte]

only applies to registered pesticides that have been approved and used in accordance with the basis for their approval.

• 2120

Mr. Danforth: But would he not be using registered chemicals?

Mr. Williams: I do not believe those chemicals per se are registered. If, for example, he asked for a 50-50 mixture of kerosene and salt and he were to take that home and apply it for the purpose of sterilizing the soil in order that he could grow some products in it later on and it resulted in excessive quantities of salt in the eventual product—which I may say is highly unlikely—the product would not be allowed on the market. However, I do not believe he would be in conflict with any of the laws of the country because he asked the druggist to mix kerosene and salt together and he took it home and applied it to some soil and later grew a crop in that soil.

Mr. Danforth: I would like to continue this line of questioning, Mr. Chairman, because it is a very important clause in this bill.

I know it depends on the type of chemical and what it is being used for, but may I have some indication of what is generally considered the normal time for a product to be registered after there has been a definite application for it?

Mr. Jefferson: Mr. Chairman, if all the data that is required to make an evaluation is available with the application the process of review would probably be completed in a period of not more than three months. It involves putting this information through the research branch of the Department of Agriculture, through the Food and Drug Directorate of the Department of National Health and Welfare, through the Canadian wildlife service and perhaps the Department of Fisheries and possibly some other agencies that have a peripheral interest in the consequences of the use of the product. No two cases are alike.

Mr. Olson: May I add, Mr. Chairman, that all of those things are based—and in the time that has been explained by Mr. Jefferson—on the assumption that we get approval after submitting it for approval. If at any point there is rejection of it then, of course, it is not possible to give any norm as to how long it will take to get approval.

Mr. Danforth: I can well appreciate this, Mr. Chairman, but there is quite a difference between three months and six years.

[Interprétation]

les pesticides enregistrés et approuvés, employés selon le mode d'emploi approuvé, entreraient dans les dispositions de la Loi.

M. Danforth: Et alors, est-ce qu'en fait il ne se servirait pas de produits chimiques enregistrés?

M. Williams: Je ne crois pas que ces produits sont, par essence, enregistrés. Si, par exemple, il demande un mélange moitié-moitié de kérosène et de sel, mettons, par exemple, pour stabiliser le sol afin de pouvoir ensuite faire de la culture. Si, plus tard, il y avait trop de sel dans la récolte, ce qui est peu probable, on ne permettrait pas au produit d'être vendu. Cependant je ne pense pas que l'agriculteur contrevienne à une quelconque loi canadienne, du seul fait qu'il aurait demandé au pharmacien de mélanger le kérosène et le soufre.

M. Danforth: J'aimerais poursuivre, M. le président, car je crois qu'il s'agit d'une disposition très importante de ce projet de loi. Je sais que cela dépend du genre de produits chimiques que l'on emploie, et du but auquel on le destine. Mais est-ce que je peux avoir une indication de ce que l'on considère normalement comme étant le délai normal d'enregistrement d'un produit, une fois la demande faite?

M. Jefferson: Monsieur le président, si toutes les données requises pour faire l'évaluation sont disponibles en même temps que la demande d'enregistrement, la révision serait probablement terminée dans un délai de trois mois au plus. Il s'agit de transmettre ces renseignements à la direction des recherches du ministère de l'Agriculture et ensuite au Directeurat des aliments et des drogues du ministère de la Santé nationale et du Bien-être social et ensuite au Service canadien de la Faune et possiblement au ministère des Pêcheries et aussi à une autre agence qui serait de près ou de loin intéressée aux produits. Il n'y a pas deux cas qui se ressemblent.

M. Olson: Puis-je ajouter, M. le président que toutes ces choses ont été expliquées par M. Jefferson, sur l'assurance d'obtenir l'approbation envers tous ces sujets. Il n'y a pas de délai normal, car si à un moment donné on rejette la demande, il est très difficile de préciser combien de temps cela prendrait pour obtenir l'approbation.

M. Danforth: Je le comprends mais il y a toute la différence au monde entre trois mois et six ans.

[Text]

Mr. Olson: Yes, but I think the assumption here is that this product will and ought to have been approved and in fact it was not.

Mr. Danforth: This is my concern. One further question, Mr. Chairman. If a product were refused registration and an indication was given as to the reason for its refusal, an alteration were made in the product—perhaps a change in a basic ingredient that was causing concern—could it be resubmitted for registration?

Mr. Williams: Yes, Mr. Chairman.

Mr. Danforth: If I may, Mr. Chairman, I would like to get back to this sale under a formula, as Mr. Williams has pointed out, as a method of moving this chemical in use by the primary producers. Will such action be prohibited or is it foreseen that this course of action will be stopped under the provisions of the present Act.

Mr. Williams: I think this will depend upon the nature of the ingredients. If the ingredients consist of any of the products that are controlled by this Act it will be stopped. If they do not consist of products that are controlled by this Act—such as salt and kerosene, which I have mentioned and which I do not think we intend to control under this Act—it will not be stopped. There could be a long list of what we might call the common chemicals.

• 2125

Mr. Danforth: If I understand you correctly, Mr. Williams, if the formula included any one of the basic chemicals over which there could be concern, they could be prevented from sale on the grounds set out in this bill?

Mr. Williams: They could be, yes, under this proposed Act.

Mr. Danforth: Thank you, Mr. Chairman.

The Chairman: Thank you. Are there any further questions? Mr. Gleave?

Mr. Gleave: I do not know if this comes specifically under this bill, but the thing that concerns me in the area in which I live is that if you go to buy a chemical you will find this brand name or that brand name; it is this or it is that.

I wonder if we can get to the point in the sale of chemicals where we are dealing with fertilizers. If you buy fertilizer it is marked 11-48-0 or 11-55-0, and you know what com-

[Interpretation]

M. Olson: Oui, mais je crois que vous présumez que le produit en cause aurait dû être approuvé et le fait est qu'il ne l'a pas été.

M. Danforth: Voilà ce qui me préoccupe. Une autre question, monsieur le président. Si l'on refuse un produit à l'enregistrement et qu'une indication ait été donnée au sujet des raisons de ce rejet. Après modification de la formule, pourrait-on alors faire une nouvelle demande d'enregistrement?

M. Williams: Oui, monsieur le président.

M. Danforth: Si vous me le permettez, monsieur le président, pour revenir maintenant à la question de la vente. Selon la formule que M. Williams a signalée comme étant un moyen de transporter le produit chimique employé par les producteurs, prévoit-on l'interdiction d'une telle méthode en vertu des dispositions de la nouvelle loi?

M. Williams: Je crois que tout cela dépend des ingrédients et de leur nature. Si les ingrédients consistent en des produits qui sont interdits ou réglementés par la présente loi, on les arrêtera. S'il s'agit de produits qui ne sont pas réglementés par la présente loi, par la nouvelle loi, tels le kérosène ou le sel, je ne crois pas que nous ayons l'intention de les contrôler. On ne les arrêtera pas. Il se pourrait qu'il y ait une longue liste d'autres produits chimiques que nous pourrions peut-être désigner du nom de «produits chimiques communs».

M. Danforth: Si je vous comprends bien, en fait, la formule qui contient l'un des quelconques produits chimiques de base qui nous préoccupent, on pourrait en empêcher la vente en vertu des dispositions de ce bill.

M. Williams: Oui, c'est exact, il se pourrait, en vertu de la nouvelle loi.

M. Danforth: Je vous remercie, monsieur le président.

Le président: Merci beaucoup. Y a-t-il d'autres questions?

M. Gleave: Je ne sais si cela relève de la présente loi, mais ce qui me préoccupe c'est, du moins dans la région où je demeure, lorsque l'on achète des produits chimiques, on parle de telle marque ou de telle marque.

Ce que je me demande c'est, est-ce que nous pourrions en arriver au point, dans la vente des produits chimiques, de nous introduire dans le domaine des fertilisants, des

[Texte]

ponents are contained in that bag, you know what it is composed of. It is composed of certain things that you want to buy in fertilizer and you can assess it. Is it possible to do this with regard to chemicals? Can these products be labelled—never mind their brand name, I am not interested in that, it does not mean a thing to me—so that I will know what that chemical is composed of and its ability to do the job I want it to do?

Do you propose to exercise any control over labelling so that a farmer will know what he is buying? I can tell you that not only is the farmer concerned, our technical people and our universities are concerned about the fact that the farmer is faced with a myriad of names which do not mean anything to him. If the chemical composition were shown then perhaps knowledge could be built up so that the farmer would know what he was buying and what it would do.

Mr. Jefferson: Mr. Chairman, I wish the matter of pesticide chemicals was as simple as fertilizers. If there were only three active ingredients in the range of available pesticides as there are nitrogen, phosphorus and potash in fertilizers, then we could have such simplicity, but when there are some 350-plus different active ingredients that are classed as pesticides each one has to have a different name. The current provisions of the Pest Control Products Act—and they are carried into this new bill—make it mandatory that every pesticide list in the guarantee statement and in the name statement of the product, whether it is dicamba or something else, shows the chemical or generic name of the active ingredients and the percentage content. The Act does not prevent people from using a trademark but every label must bear the name of the chemical in generic terms and the percentage of active ingredients that are present, the ingredients that count.

Mr. Olson: Mr. Chairman, I wonder if I could refer Mr. Gleave to subclause (4) of Clause 3. It reads:

A control product that is not packaged, labelled or advertised as prescribed or is packaged, labelled or advertised contrary to the regulations shall be deemed to be packaged, labelled or advertised contrary to subsection (2).

[Interprétation]

engrais? Si vous achetez un engrais marqué 11-48-0 ou 11-55-0 vous savez exactement quels sont les composants, la proportion du produit ensaché. Vous savez que l'engrais se compose de certaines choses que vous voulez trouver dans un engrais. Vous pouvez en évaluer l'importance. Est-ce possible à l'égard des produits chimiques? Est-ce que nous pourrions avoir l'étiquetage des produits, peu importe la marque? Car elle ne veut rien dire. Mais, ce que je veux savoir c'est quels sont les composants du produit chimique et s'il est capable d'agir conformément à mes désirs.

En vertu de cette loi, est-ce que vous vous proposez d'exercer une réglementation de l'étiquetage, afin que les cultivateurs puissent savoir de quoi il s'agit. Non seulement les cultivateurs sont-ils préoccupés de cette question, mais les chercheurs de nos universités sont préoccupés par le fait que les cultivateurs font face à toute une gamme de noms ou de marques qui ne veulent rien dire. Et alors si nous en arrivions au point de faire figurer la composition chimique, le cultivateur saurait peut-être à quoi s'en tenir et quoi faire.

M. Jefferson: J'aimerais bien, monsieur le président, que cette question des produits chimiques ou des pesticides chimiques soit aussi simple que celle des engrais. S'il n'y avait que trois composants, trois ingrédients actifs dans la gamme disponible des pesticides, tout comme il y a le nitrogène, le phosphore, et la potasse pour les engrais. Ce serait très simple. Mais étant donné que nous avons plus de 350 ingrédients qui sont classés comme des pesticides et que chacun a un nom qui lui est propre, les dispositions de la loi sur les produits antiparasitaires à l'heure actuelle et qui se retrouvent dans la nouvelle loi, font que chaque pesticide doit comporter dans la déclaration de garantie, qu'il s'agisse de dicamba ou non, les noms génériques ainsi que la proportion contenue dans le produit. La loi n'empêche pas les gens d'employer une marque de commerce. Mais chaque étiquette comprend aussi le nom générique du produit chimique de chacun des ingrédients actifs. C'est ce qui compte.

M. Olson: Je me demande si je pourrais référer M. Gleave au paragraphe 4 de l'article 3, qui se lit:

«Un produit antiparasitaire qui n'est pas emballé, étiqueté ou annoncé comme prescrit ou est emballé, étiqueté ou annoncé d'une façon contraire aux règlements est censé être emballé, étiqueté ou annoncé d'une façon contraire au paragraphe (2).»

[Text]

Mr. Gleave: In your opinion, Mr. Olson, does this solve the problem which I have posed?

Mr. Olson: I think it answers your question.

• 2130

Mr. Gleave: I am not sure it answers the farmer's problem.

The Chairman: Mr. Roy?

Mr. Roy (Laval): I just have one question. I would like to come back to your statement, Mr. Gleave, about fertilizers. We can talk about a 10-10-10 grade, and it may say 10-10-10 on the bag but you can use a different source of nitrate; you can use aluminum nitrate or you can use sodium nitrate. They are different sources of nitrate but they are both the same. You can use muriate of potash or you can use sulphate of potash, but on the bag it is marked 10-10-10.

Mr. Gleave: That is what I am concerned about here, Mr. Chairman.

The Chairman: Mr. McKinley do you have a question?

Mr. McKinley: Thank you, Mr. Chairman. On the licensing of new products along this line, is there ever pressure put on the government by competitors of this product, or would-be competitors of this product, not to have it licensed?

Mr. Olson: I would not guarantee pressure is never brought, but I hope it is never effective.

The Chairman: Gentlemen, are there further questions?

An hon. Member: I have some further questions, if I may.

The Chairman: It would appear that we have completed our day's deliberations. Shall Clause 4 stand?

The meeting is adjourned to the call of the Chair on Thursday morning at 9.30.

M. Lambert (Bellechasse): Monsieur le président, pourrais-je ajouter un mot?

Le président: Oui.

M. Lambert (Bellechasse): Alors, je me souviens d'avoir protesté lors des premières séances du Comité, à l'effet que nous ne recevions pas de version française des procès-verbaux du Comité. J'ai reçu, aujourd'hui, pour la première fois, le fascicule n° 12 publié dans les deux langues. Je n'aime pas faire de reproches, mais quand je suis satisfait, je tiens à dire merci.

[Interpretation]

M. Gleave: Monsieur le président et monsieur le ministre, est-ce que cela règle le problème, à votre avis?

M. Olson: Je crois que cela donne réponse à votre question.

M. Gleave: Je ne suis pas sûr que cela réponde aux problèmes des cultivateurs.

Le président: Monsieur Roy?

M. Roy (Laval): Pour revenir à la question de M. Gleave. A la condition d'un niveau de 10-10-10, même si vous trouvez cela sur l'emballage, vous pourriez peut-être employer une proportion différente de nitrate ou d'ammoniaque. Et la même chose est vraie pour les autres. Quant au potasse, par exemple, vous pourriez avoir...

M. Gleave: C'est ce qui me préoccupe ici, monsieur le président.

Le président: Monsieur McKinley, vous avez une question à poser?

M. McKinley: Monsieur le président, je me demandais, en ce qui concerne le permis donné pour les nouveaux produits, s'il y a parfois des représentations de faites auprès du gouvernement par les concurrents de ce produit, pour que le produit ne soit pas enregistré?

M. Olson: Je ne dirais pas qu'il n'y en a jamais de faites, mais j'espère qu'elles ne seront jamais efficaces.

Le président: Y a-t-il d'autres questions, messieurs?

Une voix: J'aurais d'autres questions à poser, monsieur le président.

Le président: Il semble donc que nous ayons terminé nos délibérations de la journée. Est-ce que l'article 4 est réservé? La réunion est donc levée jusqu'à la convocation du président, jeudi matin, à 9 h 30.

Mr. Lambert (Bellechasse): Mr. Chairman, may I add a few more words?

The Chairman: Yes.

Mr. Lambert (Bellechasse): I remember I protested during the first sittings of our Committee to the effect that we were not receiving the French version of the Committee proceedings. Today I received for the first time Proceedings No. 12 which is bilingual. I do not like to criticize but when I am satisfied I like to say thank you.

[Texte]

Alors, si cette façon de procéder est maintenue pour l'avenir, j'en suis très heureux, car ainsi, nous aurons les deux versions en même temps et nous pourrons tous discuter sur un pied d'égalité. Alors, grand merci.

Le président: Merci monsieur Lambert.

Thank you, Mr. Lambert. Thank you, gentlemen. The meeting is adjourned.

[Interprétation]

So if this way of proceeding is maintained in the future, I can tell you that I am very happy, because we shall thus have both versions at the same time and we shall all be able to carry on the work on an equal footing. A very big thank you, then.

The Chairman: Thank you, Mr. Lambert.

Merci messieurs. La séance est levée.

APPENDIX F
RESEARCH FUNDS AND MANPOWER IN PESTICIDES RESEARCH IN CANADA

Agency or Department	VOTED 1966-67				ESTIMATED 1967-68			
	FUNDS		MANPOWER		FUNDS		MANPOWER	
	Intramural Research	Extramural Research	Intramural Research	Extramural Research	Intramural Research	Extramural Research	Intramural Research	Extramural Research
Agriculture								
Plant Products.....	27,194		2.5		31,582		3.5	
Research Branch.....	*1,260,000		58.0		1,410,000		58.0	
Fisheries.....	207,000	6,000	4.2	1.3	227,700	6,000	4.7	1.3
Forestry.....	130,000	1,000	8.0	?	180,000	1,000	11.0	?
N. H. and Welfare								
Food and Drug.....	88,000		11.0		100,000		12.0	
Occupational Health.....	40,000	98,295	4.1	17.5	40,000	98,295	4.1	17.5
N. A. and N. R.....	26,400	†116,400	3.1	8.5	60,800	†136,400	6.1	8.5
National Defence.....		19,150		?		29,000		?
N.R.C.....		103,500		?		125,000		
Total.....	1,776,594	344,345	90.9	27.3	2,050,082	395,695	99.4	27.3
Increase over 1966-67.....					273,488	51,350	8.5	0
Percentage Increase.....					15.5	14.9	9.35	0

* Does not include product testing for efficacy.

† Includes routine residue assays of about \$50,000 and 3-4 man years values and manpower figures not necessarily comparable within agencies.

APPENDICE F

FONDS DESTINÉS À LA RECHERCHE ET EFFECTIFS CONSACRÉS À LA RECHERCHE SUR LES ANTIPARASITAIRES AU CANADA

Organisme ou ministère	CRÉDITS VOTÉS 1966-1967						ESTIMATIONS 1967-1968					
	FONDS			EFFECTIFS			FONDS			EFFECTIFS		
	Recherches intra-muros	Recherches extra-muros	Recherches intra-muros	Recherches extra-muros	Recherches intra-muros	Recherches extra-muros	Recherches intra-muros	Recherches extra-muros	Recherches intra-muros	Recherches extra-muros	Recherches intra-muros	Recherches extra-muros
Agriculture produits végétaux.....	27,194		2.5		31,582		3.5		3.5			
direction de la recherche.....	*1,260,000		58.0		1,410,000		58.0		58.0			
Pêcheries.....	207,000	6,000	4.2	1.3	227,700	6,000	4.7		4.7		1.3	
Forêts.....	130,000	1,000	8.0	?	180,000	1,000	11.0		11.0		?	
Santé nat. et Bien-être												
Aliments et drogues.....	86,000		11.0		100,000		12.0		12.0		17.5	
Hygiène du travail.....	40,000	98,295	4.1	17.5	40,000	98,295	4.1		4.1			
Nord can. et Ressources nat.....	26,400	†116,400	3.1	8.5	60,800	†136,400	6.1		6.1		8.5	
Défense nationale.....		19,150		?		29,000	?		?		?	
Conseil national de recherches.....		103,500		?		125,000	?		?		?	
Total.....	1,776,594	344,345	90.9	27.3	2,050,082	395,695	99.4		99.4		27.3	
Augmentation par rapport à 1966-1967.....					273,488	51,350	8.5		8.5		0	
Pourcentage d'augmentation.....					15.5	14.9	9.35		9.35		0	

* Non compris l'essai des produits pour leur efficacité.

† Comprend les essais courants de résidus, pour environ \$50,000, et 3-4 année-hommes (valeurs et effectifs) non nécessairement comparables d'un organisme à l'autre.

APPENDIX G

Estimated expenditures by Canadian
Pesticide Industry on Research
During 1967-68

	Value \$
Granted to Universities	600,000
Product Development:	
(a) Spent on work done outside Canada	5,000,000
(b) Spent on work done in Can- ada	1,500,000

APPENDICE G

Estimation des dépenses faites par l'industrie
antiparasitaire pour la
recherche, 1967-1968

	Valeur \$
Subventions aux universités	600,000
Mise au point de produits:	
a) Travaux en dehors du Ca- nada	5,000,000
b) Travaux au Canada	1,500,000

APPENDIX H

Estimated Expenditure by Canada
Department of Agriculture
Research Branch
During 1967-68

	Value \$	Man- Years
Research other than product testing	2,730,000	91
Product testing	750,000	25
Total expenditure	<u>3,480,000</u>	<u>116</u>

APPENDICE H

Estimation des dépenses faites par la
direction de la recherche du
ministère de l'Agriculture,
1967-1968

	Valeur \$	Hommes- année
Recherches autres que l'essai des produits ..	2,730,000	91
Essai des produits	750,000	25
Total des dépenses	<u>3,480,000</u>	<u>116</u>

OFFICIAL BILINGUAL ISSUE
HOUSE OF COMMONS

First Session
Twenty-eighth Parliament, 1968-69

FASCICULE BILINGUE OFFICIEL
CHAMBRE DES COMMUNES

Première session de la
vingt-huitième législature, 1968-1969

STANDING COMMITTEE
ON

COMITÉ PERMANENT
DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 15

THURSDAY, JANUARY 30, 1969

LE JEUDI 30 JANVIER 1969

Respecting

Bill C-157, the Pest Control Products Act.

Bill C-156, An Act to amend the Animal
Contagious Diseases Act.

Concernant

Le Bill C-157, Loi sur les produits antipara-
sitaires.

Le Bill C-157, Loi sur les produits antipa-
rasitaires.

Appearing:

A comparu:

Minister of Agriculture Hon. H. A. Olson Ministre de l'Agriculture

WITNESSES:

(see *Minutes of Proceedings*)

TÉMOINS:

(voir les *procès-verbaux*)

STANDING COMMITTEE ON
AGRICULTURE

Chairman
Vice-Chairman

and Messrs.

Barrett,
Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas,
Downey,
Gauthier,
Gleave,
Howard (*Okanagan
Boundary*),

Mr. Bruce S. Beer
M. Marcel Lessard
(*Lac-Saint-Jean*)

Korchinski,
Lambert (*Bellechasse*),
La Salle,
¹ LeBlanc (*Rimouski*),
Lefebvre,
Lind,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),
McKinley,
Peters,

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

COMITÉ PERMANENT DE
L'AGRICULTURE

Président
Vice-président

Et MM.

Pringle,
Roy (*Laval*),
Southam,
Stewart (*Okanagan-
Kootenay*),
St-Pierre,
Thomson (*Battleford-
Kindersely*),
Whicher,
Yanakakis—30.

¹ Replaced Mr. Duquet on January 29,
1969.

¹ Remplace M. Duquet, le 29 janvier
1969.

[Text]

MINUTES OF PROCEEDINGS

THURSDAY, January 30, 1969.
(18)

The Standing Committee on Agriculture met at 9.37 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas, Downey, Gauthier, Gleave, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), La Salle, LeBlanc (*Rimouski*), Lessard (*Lac-Saint-Jean*), McKinley, Moore (*Wetaskiwin*), Peters, Pringle, Roy (*Laval*)—(20).

Witnesses: From the Department of Agriculture: The Honourable H. A. Olson, Minister; Mr. S. B. Williams, Deputy Minister; Mr. C. H. Jefferson, Director of Plant Products Division.

The Committee resumed consideration of Clause 4 of Bill C-157, the Pest Control Products Act.

The Chairman read a telegram from the Canadian Agricultural Chemicals Association which referred to its request to appear before the Committee on Bill C-157.

Following some discussion, Mr. Gleave moved:

That the request of the Canadian Agricultural Chemicals Association to appear before the Committee be granted.

After further discussion, the motion was carried on a show of hands: YEAS 16, NAYS 0.

It was agreed that, when the Association appears, it would present a written brief and then be available for questioning.

Clause 4 was allowed to stand.

The Committee entered upon consideration of Bill C-156, An Act to amend the Animal Contagious Diseases Act.

[Interpretation]

PROCÈS-VERBAUX

JEUDI 30 janvier 1969.
(18)

Le Comité permanent de l'Agriculture se réunit ce matin à 9 h. 37, sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas, Downey, Gauthier, Gleave, Howard (*Frontière d'Okanagan*), Lambert (*Bellechasse*), La Salle, Leblanc (*Rimouski*), Lessard (*Lac-Saint-Jean*), McKinley, Moore (*Wetaskiwin*), Peters, Pringle, Roy (*Laval*)—(20).

Témoins: Du ministère de l'Agriculture: L'honorable H. A. Olson, ministre; M. S. B. Williams, sous-ministre; M. C. H. Jefferson, directeur de la Division des produits végétaux.

Le Comité reprend l'étude de l'article 4 du Bill C-157—Loi sur les produits antiparasitaires.

Le président lit un télégramme de la *Canadian Agricultural Chemicals Association* relatif à la demande de cette dernière de comparaître devant le Comité au sujet du Bill C-157.

Après débat, M. Gleave propose:

Que l'on autorise la *Canadian Agricultural Chemicals Association* à comparaître devant le Comité.

Le débat se poursuit, puis la proposition est adoptée, par un vote à main levée, par 16 voix à 0.

Il est décidé que, lorsque l'Association comparaitra, elle présentera un mémoire écrit et sera ensuite interrogée par le Comité.

L'article 4 est réservé.

Le Comité passe à l'examen du Bill C-156—Loi modifiant la Loi sur les épizooties.

On Clause 1, Mr. Williams gave a statement.

Following questions answered by the Minister and Mr. Williams, Clause 1 was allowed to stand.

At 11.50 a.m., the Committee adjourned to the call of the Chair.

Sur l'article 1, M. Williams fait une déclaration.

Après des questions auxquelles répondent le Ministre et M. Williams, l'article 1 est réservé.

A 11 h. 50 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

Le secrétaire du Comité,

Michael A. Measures,

Clerk of the Committee.

[Text]

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, January 30, 1969

• 0936

The Chairman: Gentlemen, I see a quorum. While our witnesses have not arrived as yet, there is an item or two that I think we might discuss.

I have received a wire from the Canadian Chemical Manufacturers and in view of the fact we are studying Bill No. C-157 which is the bill concerning the chemical manufacturers, I think I should present it to the meeting. It reads as follows:

MR B S BEER M.P. CHAIRMAN
STANDING COMMITTEE ON
AGRICULTURE
PARLIAMENT BLDGS OTTAWA ONT
RE OUR TELEGRAM CONCERNING
OUR REQUEST TO APPEAR BEFORE
THE STANDING COMMITTEE IN RES-
PECT TO BILL C-157 WE WOULD AD-
VISE FOR YOUR FURTHER INFORM-
ATION THAT OUR CONCERN LIES
WITH THE LACK OF A RIGHT OF
APPEAL UNDER THE ACT SHOULD A
REGISTRATION BE REFUSED STOP
AND WITH CLAUSE 5 SUB-CLAUSE
(D) AND (E) OF THE BILL AS
REGARDS THE REGULATIONS

J CHEVALIER EXEC SEC

The members of the Committee are alerted and you may wish to bring forth certain questions.

Mr. Pringle: What are the subclauses, please?

The Chairman: Clause 5, subclause (d) and (e). There is also the question of right of appeal in the event that the registration is declined.

Gentlemen, when we met last on Tuesday we were considering Clause 4. While it would be nice to proceed, I do not think we should do so until our witnesses arrive. Is there anything that any member wishes to discuss concerning the business of the Committee? Mr. Gleave?

[Interpretation]

TÉMOIGNAGES

(Enregistrement électronique)

Le jeudi 30 janvier 1969.

Le président: Messieurs, nous sommes en nombre. En attendant l'arrivée de nos témoins, il y a une ou deux choses dont nous pourrions peut-être parler.

J'ai reçu un télégramme de l'Association canadienne des fabricants de produits chimiques, et étant donné que nous étudions le Bill C-157, qui a trait aux fabricants de produits chimiques, je pense que je devrais vous lire ce télégramme:

M. B. S. BEER, DÉPUTÉ, PRÉSIDENT
DU COMITÉ PERMANENT DE L'AGRI-
CULTURE, ÉDIFICES DU PARLEMENT,
OTTAWA (ONT).

RAPPEL: NOTRE TÉLÉGRAMME RÉ-
LATIF À NOTRE DEMANDE DE COM-
PARAÎTRE DEVANT LE COMITÉ PER-
MANENT À L'ÉGARD DU BILL C-157, A
TITRE DE RENSEIGNEMENT SUPPLÉ-
MENTAIRE, NOUS NOUS INQUIÉTONS
SURTOUT DE L'ABSENCE DE DROIT
D'APPEL DANS LA LOI, POUR LES
CAS OÙ L'ENREGISTREMENT EST RE-
FUSÉ, AINSI QUE DE L'ARTICLE 5,
PARAGRAPHE D) ET E) DU BILL
À L'ÉGARD DU RÈGLEMENT.

J. CHEVALIER, SECRÉTAIRE DE DI-
RECTION.

Les membres du Comité sont ainsi préve-
nus, et vous voudrez peut-être poser certaines
questions.

M. Pringle: De quels paragraphes s'agit-il,
s'il vous plaît?

Le président: Il s'agit des paragraphes d) et e) de l'article 5, ainsi que de la question du droit d'appel dans les cas où la demande d'en-
registrement est refusée.

Messieurs, lors de notre dernière réunion, mardi, nous en étions à l'étude de l'article 4. Il serait bon de pouvoir continuer mais je ne crois pas que nous devions le faire avant que nos témoins n'arrivent. Y a-t-il quelque chose qu'un député aimerait discuter en ce qui concerne les travaux du Comité? Monsieur Gleave?

[Text]

Mr. Gleave: This is not quite clear to me. Do the Canadian Chemical Manufacturers wish to appear?

The Chairman: They have requested to appear.

Mr. Gleave: Have we made a decision on it? I do not think so. I think if they wish to appear they should have the opportunity to do so and make their position known. I may not agree with whatever their position is, but they should have an opportunity to state it, it would seem to me.

The Chairman: I think that particular question should be discussed further in the presence of the witnesses when they arrive. They may feel that there is no need, or that there is need, but I think we should be advised by our witnesses before we take any decision here in the Committee. Mr. Cobbe?

Mr. Cobbe: Mr. Chairman, what did you take from the telegram; that they were willing to appear, or that they did not want to appear?

The Chairman: Oh, I think they would like to appear.

Mr. McKinley: They asked to appear, did they not?

The Chairman: Yes, I would say they asked to appear. Mr. Clermont?

• 0940

M. Clermont: Selon le télégramme, les compagnies manufacturières de produits chimiques prétendent qu'elles n'ont pas de droit d'appel en vertu de la loi. Est-ce bien ce qu'elles prétendent?

The Chairman: No, they...

M. Clermont: Il est prévu à l'article 5 que le gouverneur en conseil peut établir des règlements.

Or dans le Bill, il n'y a rien qui dit que le gouvernement n'établira pas une procédure d'appel si un brevet se voit refusé. Comment peuvent-elles venir à la conclusion qu'il n'y a pas de droit d'appel? L'article 5 commence en disant:

Le gouverneur en conseil peut établir des règlements...

The Chairman: Your point is well taken. I do not think they meant to infer that there was no provision in Clause 5 for the right of

[Interpretation]

M. Gleave: Il y a une chose dont je ne suis pas tout à fait certain. L'Association canadienne des fabricants de produits chimiques a demandé à comparaître?

Le président: Oui, elle a demandé à comparaître.

M. Gleave: Avons-nous pris une décision à ce sujet? Je ne le pense pas. Je crois, personnellement, que s'ils veulent comparaître, on devrait leur donner l'occasion de le faire et de nous faire part de leur opinion. Je ne serai pas nécessairement d'accord avec leur point de vue, mais il me semble qu'on devrait leur donner l'occasion de l'exprimer.

Le président: Je crois que cette question particulière devrait être étudiée dans plus de détail lorsque les témoins seront ici. Les témoins estimeront peut-être que la chose est nécessaire ou qu'elle ne l'est pas, mais je crois que nous devrions avoir l'avis de nos témoins avant de prendre une décision au Comité. Monsieur Cobbe?

M. Cobbe: Monsieur le président, comment avez-vous compris le télégramme? D'après vous, est-ce qu'ils veulent comparaître ou non?

Le président: Je crois qu'ils veulent comparaître.

M. McKinley: Ils ont demandé à comparaître, n'est-ce pas?

Le président: Oui, il me semble bien. Monsieur Clermont?

Mr. Clermont: Mr. Chairman, according to the telegram, the companies manufacturing chemical products claim that they have no right of appeal under the Act. Is this what they are in fact stating?

Le président: Non, ils...

Mr. Clermont: Clause 5 provides that the Governor in Council may make regulations. In this bill there is nothing that says that the government will not establish an appeal procedure if registration is refused. How can they come to the conclusion that there is no right of appeal? Under Clause 5 we see that:

The Governor in Council may make regulations...

Le président: Vous avez probablement raison. Je crois qu'ils ne voulaient pas insinuer qu'il n'y a pas de disposition d'appel

[Texte]

appeal. They are saying that in the Bill there is not the provision nor the right of appeal, and then they also question Clause 5 (d) and (e).

M. Clermont: En ce qui regarde la présence de témoins devant le Comité, je ne crois pas que nous devions attendre l'assentiment des représentants du ministère de l'Agriculture. Si les membres du Comité décident de se rallier à la suggestion de M. Gleave, c'est à eux de prendre la décision d'inviter ou non des témoins à venir témoigner devant ce Comité. On n'a pas de guide ou de conseil à recevoir. Nous sommes seuls habilités à décider si un tel groupe ou une telle personne doit paraître devant ce Comité pour nous éclairer sur la législation que nous avons à étudier.

The Chairman: I quite agree except for one thing, and that is that the witnesses are here to advise and they may feel that there is ample provision for appeal; also that their fears in so far as Clause 5 is concerned could be allayed for several reasons.

M. Clermont: Oui, monsieur le président, mais il est dans l'intérêt des membres de ce Comité de connaître l'opinion du secteur privé. Vous dites que les responsables du ministère de l'Agriculture croient que le bill couvre tous les aspects de la question, mais ce n'est pas un certificat suffisant pour nous. Je crois que, quand un groupe, une association ou des individus responsables ont manifesté l'intention de venir témoigner à ce Comité, il est de notre devoir, de notre responsabilité, de leur en donner l'occasion; autrement on pourra nous accuser de discrimination contre ce groupe ou ces personnes-là.

Mr. Barrett: I suggest, Mr. Chairman, that we take five marks off all these gentlemen and sit them in the corner for a little while for being late.

Hon. H. A. Olson (Minister of Agriculture): We have an explanation if you would like us to give it.

The Chairman: Your observation has been noted, Mr. Barrett. For the benefit of those who have just come in, I have presented to the Committee a telegram which I have received from the Agricultural Chemicals Association. I felt in view of the fact that we were discussing Bill C-157 and the possibility of making progress with it, I owed it to the

[Interprétation]

à l'article 5. Ils prétendent qu'il n'y a pas de droit d'appel dans le bill même. Et ensuite, ils ont des doutes au sujet de l'article 5 d) et e).

Mr. Clermont: With regard to having witnesses appear before the Committee, I do not think we should wait for the consent of the representatives of the Department of Agriculture. If the members of the Committee decide to support the suggestion made by our colleague, Mr. Gleave, it is up to them to take the decision as to whether or not to invite witnesses to appear before this Committee. We have no guidelines or advice to receive. We alone are entitled to decide whether such-and-such a group or such-and-such a person is to appear before the Committee to enlighten us on the legislation before us.

Le président: Je suis d'accord, sauf que les témoins sont ici justement pour nous aviser. Ils sont peut-être d'avis qu'il y a amplement de dispositions pour ce droit d'appel et que les craintes en ce qui concerne l'article 5 pourraient être apaisées pour plusieurs raisons.

Mr. Clermont: Yes, Mr. Chairman, but it is in the interest of the members of this Committee to know the opinion of private enterprise. You say that officials from the Department of Agriculture believe that the bill covers all aspects of the question, but that is not sufficient warranty as far as we are concerned. I think that when a group, or an association, or responsible individuals have made known their intention to come before the Committee, it is our responsibility to give them this opportunity. Otherwise, we might be accused of discrimination against that group or those persons.

M. Barrett: Je suggère que nous punissions ces messieurs en les mettant dans le coin, monsieur le président, parce qu'ils sont en retard.

L'hon. H. A. Olson (ministre de l'Agriculture): Nous avons de bonnes raisons.

Le président: Nous avons pris note de votre observation, monsieur Barrett. Pour la gouverne de ceux qui viennent d'arriver, j'ai présenté au Comité un télégramme reçu de la part de l'Association des produits chimiques agricoles. Comme nous étions en train de discuter le bill C-157 et de la possibilité de poursuivre nos travaux en ce sens, j'ai cru que je

[Text]

Committee and to the Chemical Association to present it to the meeting. It reads as follows:

Re our telegram concerning our request to appear before the Standing Committee in respect to Bill C-157. We would advise for your further information that our concern lies with the lack of a right of appeal under the Act should a registration be refused and with Clause 5 sub-clause (d) and (e) of the Bill as regards the regulations

[Interpretation]

me devais de lire le télégramme de cette association.

«Rappel: Notre télégramme relatif à notre demande de comparaître devant le Comité permanent à l'égard du bill C-157. A titre de renseignement supplémentaire, nous nous inquiétons surtout de l'absence de droit d'appel dans la loi pour les cas où l'enregistrement est refusé, ainsi que de l'article 5, paragraphes d) et e) du bill, à l'égard du règlement.»

• 0945

Now, at that point we discussed it but avoided arriving at a decision, feeling that we would like to have the advice of the witnesses and then the Committee will make a decision.

Mr. Williams, do you have some comments?

Mr. Clermont: Mr. Chairman, again when you say we would like to have the advice of the witnesses, I am sorry to say I do not like your expression. We should be able to make up our minds if we agree that those people should be called as witnesses. I do not like the expression that we should have the advice of the witnesses.

The Chairman: Maybe I am expressing a personal opinion, but I would like to have the advice of the witnesses.

Mr. Clermont: Yes, but the other members may not like to have their advice.

The Chairman: Is there any difference of opinion?

Mr. Douglas: Mr. Chairman, I do not think there is really a difference of opinion, but perhaps the word "comment" would be more acceptable than the word "advice".

The Chairman: I would accept that correction.

Mr. Danforth: I feel that since this is a Bill that has considerable effect on the industry that has made this request, they should have ample opportunity to present their feelings and although they have stipulated two particular parts of this Bill, we may find that they have other advice and suggestions to give which may affect other clauses of this Bill.

I think since we are starting out under the new provisions and the new rules we will, of course, have to go carefully, but I feel that the industry in this case has every right to make such an appeal and I think the Committee would be remiss in its obligations to try to

A ce moment-là, nous en avons discuté mais nous n'avons pas pris de décision croyant qu'il serait préférable d'entendre d'abord les conseils de nos témoins. Monsieur Williams, auriez-vous quelque chose à dire à ce sujet?

M. Clermont: Encore une fois, monsieur le président, quand vous dites que nous voudrions avoir les conseils des témoins, je regrette de dire que je n'aime pas du tout cette expression. Nous devrions être capables de décider nous-mêmes si oui ou non une personne doit comparaître à titre de témoin. Je n'aime pas du tout l'idée ou l'expression que nous devrions avoir l'avis des témoins.

Le président: Disons que j'exprime une opinion personnelle, mais j'aimerais avoir l'avis des témoins.

M. Clermont: Peut-être que les autres membre ne sont pas du même avis?

Le président: Y a-t-il une divergence de vue à ce sujet?

Mr. Douglas: Monsieur le président, je ne crois pas qu'il y ait vraiment une divergence de vue, mais je crois que l'expression «commentaires» serait préférable au mot «conseils».

Le président: D'accord.

M. Danforth: J'ai l'impression qu'étant donné qu'il s'agit d'un bill ayant des répercussions considérables sur l'industrie qui a formulé cette demande, on devrait leur donner tout le loisir de formuler leurs opinions. Même s'ils ont précisé deux parties du bill, peut-être qu'ils ont d'autres opinions ou d'autres suggestions pratiques à nous communiquer touchant les autres parties du bill. Étant donné que nous nous réunissons maintenant en vertu du nouveau Règlement, nous devons peut-être être prudents, mais j'estime que l'industrie a le droit de faire cette demande et je crois que le Comité manquerait gravement à son devoir qui est de présenter le meilleur

[Texte]

make as good a Bill as possible if it did not take advice from whatever authentic source it may come.

I would certainly support Mr. Clermont's contention that first, the Committee has the right to decide whether or not it shall hear witnesses and second, that this request be given the sympathetic consideration it deserves and we do invite them to make a representation in regard to the regulations.

Mr. Gleave: I think I, along with Mr. Clermont, raised the question of whether the request of this particular group should be complied with. I think it should be complied with. They have some matters they want to bring to this Committee before the Bill is passed and I think they should have the opportunity.

In regard to the question you put to the meeting as to whether or not we should hear from the witnesses, well, I would understand that the Minister is a member of this Committee—he is not? My stand on this is that the witnesses are here to provide information, to give us advice on matters of procedure. I do not think they are here to give us advice on who we call before this Committee. That is my opinion.

The Chairman: I am not sure that they are here to advise us on matters of procedure. I think that is within our own control. I think they are here to advise us as to the implications of the Bill, and so on.

Mr. Gleave: Right; agreed, Mr. Chairman.

Mr. McKinley: Mr. Chairman, I think from the very fact that these people have asked to appear here there must be something they do not think we are aware of, and there must be something they think is being jeopardized to a certain extent or they would not have asked for permission to appear here. I think they should be invited to appear.

The Chairman: Thank you, Mr. McKinley.

M. Lessard (Lac Saint-Jean): Monsieur le président, je voudrais avoir un renseignement. L'article 5 de ce Bill est-il formulé de la même manière que dans la loi qui sera remplacée? Parce qu'à l'article 13, il est prévu que:

la loi sur les produits antiparasitaires, chapitre 209 des Statuts révisés,

sera remplacée par ce projet de loi. Dans cette loi, au chapitre 209, l'article équivalent

[Interprétation]

bill possible, si nous n'acceptons pas les conseils qui nous viennent de part et d'autre.

J'appuie donc ce que M. Clermont a dit à l'effet que, premièrement, le Comité doit décider si oui ou non il entendra les témoins, et deuxièmement, nous devrions accueillir avec sympathie cette demande, et les inviter à nous faire part de leurs opinions à l'égard des règlements.

M. Gleave: Je crois que, de même que M. Clermont, j'avais soulevé cette question de l'accueil à faire à la demande de ce groupe particulier. Je crois que nous devrions y donner suite, surtout si le groupe a quelque chose à dire au Comité avant que la loi soit adoptée. On devrait leur en donner l'occasion.

Quant à la question que vous avez posée aux députés, à savoir si nous devrions entendre les témoins, je crois comprendre que le ministre fait partie du Comité. Non? Il ne l'est pas? Mon attitude à cet égard est que les témoins sont ici pour fournir des renseignements, pour nous conseiller sur les questions de procédure. Je ne crois pas qu'ils soient ici pour nous aviser quant aux témoins à convoquer, du moins c'est mon opinion.

Le président: Je ne suis pas du tout certain qu'ils soient ici pour nous aviser au sujet des questions de procédure qui relèvent de nous effectivement. Je crois qu'ils sont ici pour nous conseiller quant aux répercussions que le bill pourra avoir.

M. Gleave: Je suis de votre avis, monsieur le président.

M. McKinley: Monsieur le président, je crois que le seul fait que ces personnes aient demandé à comparaître signifie qu'elles constatent quelque chose que nous ignorons peut-être, et qui pourrait constituer une menace. Autrement ils ne nous auraient pas demandé la permission de comparaître. Je crois que nous devrions leur donner cette permission.

Le président: Monsieur Lessard.

Mr. Lessard (Lac-Saint-Jean): Mr. Chairman, I would like to get some information. Is clause 5 which we find in the bill, drafted in the same way as in the Act which is to be replaced? Because clause 13 provides that:

The Pest Control Products Act, chapter 209 of the Revised Statutes of Canada

will be replaced by this bill. In this Act, in chapter 209, was the terminology exactly the

[Text]

sur les règlements était-il exactement le même? Il est probable que si l'article est formulé de la même façon et que la compagnie a eu une expérience malheureuse, à cause de cet article, c'est pourquoi elle s'inquiète.

• 0950

Nous ne connaissons pas les règlements établis par le gouverneur en conseil, on ne nous les a pas donnés, mais ils empêchent peut-être justement cette compagnie-là d'atteindre ces buts. Évidemment, si ses buts ne sont pas louables c'est une autre question.

Mr. Barrett: Mr. Chairman, I think we should ask them here. I feel that while I might deny their problems here, I would not want to deny their right to come here if they have requested it.

Mr. Olson: I think we should bear in mind that what this Committee is now doing is legislating in a substitute or a replacement forum for the process of legislation that formerly took place in the committee of the whole House on the floor of the House. Of course, at that position there was no opportunity for witnesses to be called to appear before that Committee of the Whole and, indeed, even the officers from the Department who are here, who were, in fact, invited to sit as advisers in the Committee of the Whole could not speak even in that position.

So let us bear that in mind. When a matter is referred to a standing committee it is, of course, usually for the purpose of making an investigation. In those cases, of course, there is the matter of calling witnesses and it is usually, and in my view quite properly done, that is, to call outside witnesses.

I do not take any absolute objection to calling outside witnesses before this Committee even when we are legislating, but I think we had better bear in mind that there is a substantial difference between what we are doing now and what is contained in the terms of reference for this Committee or any other standing committee to do a job of investigating.

And the other point that was made, while the Minister was a member of that Committee by reason of being a member of the House, he has not been elevated to the position of being a member of this Committee yet, although perhaps he ought to be. Insofar as the two matters that have been raised, that they should have the right of appeal of a

[Interpretation]

same in the corresponding section on Regulations? It is probable that if the clause is drafted in the same manner and the company has had an unfortunate experience because of this section, the company is showing concern for this reason.

We do not know the regulations which were established by the Governor in Council, we were not informed of them, but it is perhaps precisely these regulations which prevent that company from reaching its objective. Obviously, if its objectives are not laudible, that is another matter.

M. Barrett: Je crois que nous devrions peut-être leur demander de venir. Même si je ne suis pas de leur avis quant aux difficultés soulevées, je ne voudrais pas leur nier le droit de comparaître devant nous.

M. Olson: J'aurais deux choses à dire. Je crois qu'il ne faut pas oublier qu'à l'heure actuelle le Comité légifère à la place, ou constitue le forum qui remplace effectivement le comité plénier de la Chambre.

Le comité plénier n'avaient pas le loisir d'appeler de témoins et, en fait, même les fonctionnaires du ministère qui sont ici, ont été invités, de conseiller le comité plénier et n'ont pas eu le droit de parole.

Gardons cela à l'esprit. Lorsqu'une question est maintenant déferée à un comité plénier, normalement, c'est pour mener enquête. Dans ces cas-là, évidemment, il y a la disposition qui veille à la convocation des témoins, et, ce qui est fait à mon sens d'une façon presque courante c'est de convoquer des témoins de l'extérieur.

Je ne vois pas d'objection absolue à convoquer des témoins de l'extérieur devant notre comité même quand il s'agit de légiférer, mais je crois qu'il faut nous rappeler qu'il y a une différence marquée entre ce que nous faisons à l'heure actuelle et ce qui est convenu dans le mandat de ce comité ou de tout autre comité permanent quand il s'agit de faire enquête.

Quant à l'autre point soulevé, même si le ministre était membre de ce comité-là à cause de son mandat de député à la Chambre, on n'a pas procédé à sa nomination même s'il elle aurait peut-être dû être faite. Quant aux qu'ils aient le droit d'appel, d'interjeter appel deux questions qui ont été soulevées, soit d'une décision qui a été rendue à l'égard de

[Texte]

decision that is handed down with respect to registration, the question that comes up is: appeal to whom?

It will be a technical matter that is involved and a group of technical people from the Department will decide on the basis of the evidence that they have, using the technical competence that they have with respect to whether—may I have a look at the telegram—they may appeal against a decision for non-registration.

Are we going to then set up another technical committee that they can appeal to, or would it be an appeal back to the same technical people who decided in the first place? Certainly, whether or not it is written specifically and categorically into the Act that they should have a right to reconsideration any time there is any change or new evidence that the technicians can look over, that is one thing, and they would always have that, and they have always had it in the past—a right to reconsideration.

But to ask that it be written into the Act that they have a right to appeal, surely if we are going to be responsible and reasonable, we would have to know who they are going to appeal it to. Back to the same people? On the same evidence that they had in the past? If they ask for reconsideration on some matter that has changed—if technology has advanced and so on—then I can see it.

We would never deny them the right to reconsideration—you could call it reconsideration or an appeal or whatever it is—but I think that if we are going to have that written into the Act, we should also go the next step and say who are they going to appeal it to?

• 0955

With regard to the other two sections, clause 5, subclause (d) and (e), they are questioning what would be in the regulations respecting the registration of controlled products, establishment, inspection, operations and that sort of thing. Well, that is not new. It may not be exactly the same words, and technology has changed, so the regulations may be slightly different. But that kind of provision is contained in all the...

[Interprétation]

l'enregistrement. Je pose cette question, en appeler à qui?

C'est une question technique qui est mise en cause et certains membres du personnel technique du ministère et en jugeront au moyen des preuves qui leur sont soumises en usant de leur compétence, à savoir si—puis-je voir le télégramme—il y a droit d'appel quant au refus d'enregistrement. Allons-nous alors établir un autre comité technique auprès duquel on pourrait interjeter appel ou est-ce l'appel serait renvoyé au même groupe technique qui en avait décidé au tout début?

Évidemment que ce soit ou non mentionné spécifiquement et catégoriquement dans la Loi, qu'il y a droit d'appel chaque fois qu'il y a un changement ou de nouvelles preuves que les techniciens peuvent constater, cela a toujours existé et on a toujours eu le droit de faire réexaminer le cas. Quand on demande que ce soit inclus dans la loi, qu'on ait le droit de faire appel si nous voulons être responsables et raisonnables, il faut savoir à qui on en appellerait. Aux mêmes personnes? D'après les mêmes preuves qu'ils ont eues auparavant? Si on demande un nouvel examen en ce qui concerne les points qui ont changé, la technologie par exemple, là je comprendrais.

Nous ne refuserions jamais la permission de faire examiner le cas à nouveau.

Je crois que s'il faut l'inclure dans la Loi, nous devrions aussi aller un peu plus loin et préciser à qui on interjetterait appel.

Quant à l'article 5, le paragraphe (d) et (e), il s'agit de savoir ce qui se trouverait dans les règlements quant à «l'enregistrement des produits antiparasitaires et des établissements,» ainsi qu'à «l'inspection et l'exploitation des établissements.» Ce n'est pas nouveau. Ce ne sont plus exactement les mêmes mots car la technologie a changé, les règlements changeront peut-être, mais ce genre de disposition est contenue, dans tous...

[Text]

An hon. Member: Other than the establishments, we have never had establishments.

Mr. Olson: Oh, yes, pardon me. Other than the establishments. It seems to me that their advice—and we will seek their advice whether they appear before or after the passage of this Act with respect to making these regulations which will come afterwards. I would caution you insofar as the time factor is involved in calling outside witnesses before this Committee, and yet that is for you to decide. But this is the situation as far as I am concerned in that respect.

I have one other point I may make, and that is that essentially the same thing happens under the Food and Drug Act. There is no right in the statute for anyone to appeal against decisions that are made with regard to this kind of thing under the Food and Drug Act.

Mr. Gleave: Mr. Chairman, I am not particularly interested at the moment in arguing the points which this group has raised. Their arguments may be valid or they may not be valid. What I am interested in is that this group who is going to be affected by this legislation has asked to appear here and put forth their point of view.

I would like to hear what they have to say. If in our opinion, they cannot substantiate their point, well and good. I regret, when we are considering this, that none of the farm groups have taken any interest in it, although this affects, vitally, the farmers and the compensation which they may or may not have to pay. None of the co-operatives—and they are deeply involved in the manufacture of chemicals, at least in Western Saskatchewan and I think they are here in Ontario, or at least they distribute it—none of these people have chosen to appear here and say these regulations affect their members. I do not think anyone has ever been asked. That is for the Chairman to answer, but I do not think anyone has been asked to appear before this Committee.

The Chairman: No one has been asked to appear, and no one has asked to appear other than the group that we are considering at the moment.

Mr. Gleave: Right. Therefore, on this basis, Mr. Chairman, I would move that we grant their request. That motion is in order.

The Chairman: Mr. Danforth?

[Interpretation]

Une voix: Autre que les établissements, nous n'avons jamais eu établissements.

M. Olson: Oh oui, pardonnez-moi. Autre que les établissements. Il semble que leur conseil et nous allons leur demander leur conseil, lorsqu'ils comparaitront, avant ou après l'adoption du projet de loi, quand il s'agira d'établir des règlements, ce qui viendra par après.

En ce qui concerne l'élément temps pour convoquer des témoins de l'extérieur à comparaître devant notre comité, la décision est la vôtre et voilà la situation en ce qui me concerne.

Il y a un autre point aussi que je pourrais peut-être souligner et c'est que la même chose se produit en vertu de la Loi sur les aliments et les drogues. Il n'y a pas de droit d'appel mentionné dans la Loi contre une décision de ce genre en vertu de la Loi sur les aliments et les drogues.

M. Gleave: Monsieur le président, je ne suis pas tout à fait particulièrement intéressé à l'heure actuelle à mettre en doute les arguments soulevés ici. Les arguments sont peut-être valides, peut-être ne le sont-ils pas. Ce qui m'intéresse c'est que le groupe touché par cette mesure législative a demandé tout simplement de comparaître pour nous faire part de leur opinion.

J'aimerais bien savoir ce qu'ils ont à dire. S'ils ne sont pas capables de prouver leur allégations, tant pis, ce que je regrette c'est qu'aucun groupe de cultivateurs n'a porté intérêt à cette mesure législative qui les affecte directement en ce qui a trait aux indemnités. Aucune des coopératives, qui du reste sont profondément engagées dans la fabrication de produits chimiques, surtout dans l'Ouest de la Saskatchewan, et ici en Ontario, personne n'a demandé à comparaître en prétendant que ces règlements toucheraient ses membres. Est-ce qu'on leur a demandé de comparaître? Le président devrait nous répondre, mais je ne crois pas qu'on ait demandé à qui que ce soit de comparaître.

Le président: On n'a demandé à personne et personne n'a demandé à comparaître, sauf le groupe que je viens de mentionner.

M. Gleave: Donc, en nous fondant sur ceci, monsieur le président, je propose donc que nous acceptions leur demande si cette proposition est conforme à l'ordre et recevable.

Le président: M. Danforth.

[Texte]

Mr. Danforth: Mr. Chairman, I would like to make some comments on the statement made by the Minister. I think that we have arrived right at the crunch of the thing. We have a principle involved here. The Minister states that we are dealing with legislation and it is his opinion that perhaps this is not the time to hear witnesses. I fail to understand this in any terms of reference of the Standing Committee. I thought that we did have the power.

Mr. Olson: I did not question that.

Mr. Danforth: Since we have the power to call witnesses, and since we are dealing with legislation that is actually intruding into the normal business operations of an industry, and they make a request to express an opinion before us, I fail to see how we, as Committee members, can do anything else than grant a request that has come through the proper channels in the proper manner. To say when we have legislation before us that we should confine ourselves only to departmental witnesses—and I have no comments against their competence. I think they are very competent, but they are only going to explain actually the provisions of the bill. They cannot interpret to us the effects that will happen when the bill is put into law.

● 1000

I think it is up to us, as a Committee, to investigate both sides of the legislation when it is brought before us. I certainly would lose interest in this Committee if I found that all we were doing was bringing the legislation before us and determining whether or not it was put into legal terms or not. I want to find out the ramifications of this legislation, and I want to know the effects of it before I am prepared to give my stamp of approval on it.

I think that since this is the first occasion this has arisen, I am going to support wholeheartedly Mr. Gleave's contention that these witnesses be allowed to appear before us.

The Chairman: Mr. Pringle?

Mr. Pringle: My question has been partially answered, but I am wondering whether there is some specific information which could be made available to us at this time with regard to the background which could give some explanation to the request for appearance. Has there been some previous discussions or complaints or problems, if you like, with the people who designed the act and if so, could

[Interprétation]

M. Danforth: J'aimerais bien formuler des commentaires au sujet de la déclaration du ministre. Je crois que nous sommes arrivés au cœur même du problème. Quand le ministre dit que nous traitons de mesures législatives, il pense peut-être que ce n'est pas le moment d'entendre des témoins. Je ne comprends pas du tout que cela tombe sous le mandat du Comité. Il semble que nous en ayons le droit.

M. Olson: Je ne mets pas cela en doute.

M. Danforth: Et, alors, si nous avons le pouvoir de convoquer des témoins et puisque nous traitons de mesures législatives, qui s'intercalent réellement dans l'exploitation normale d'une industrie, et que cette industrie nous demande d'exprimer son opinion, je ne vois pas du tout comment nous, à titre de membres du Comité, pouvons agir autrement que d'agréer la demande qui nous est parvenue en bonne et due forme et dire que lorsque nous avons une mesure législative devant nous, nous ne devrions nous limiter qu'aux témoins du ministère. Je ne veux pas mettre en doute leur compétence, mais tout de même, ces témoins nous expliqueront tout simplement les dispositions du bill. Ils ne peuvent certainement pas interpréter pour nous quels seront les résultats lorsque le projet de loi sera mis en vigueur.

Je pense que c'est à nous en tant que Comité d'écouter les deux sons de cloche vis-à-vis de la Loi dont nous sommes saisis. Et certainement, je perdrais tout intérêt dans ce Comité si tout ce que nous avons à faire est d'entendre la lecture du projet de Loi et d'écouter les commentaires à savoir si ce projet est conforme ou non au langage légal habituel. Ce que je voudrais, c'est de connaître les répercussions, les conséquences de ce projet de loi, avant de pouvoir l'approuver.

Étant donné que c'est là la première occasion que nous avons de le faire, je vais soutenir M. Gleave de tout cœur pour que les témoins puissent comparaître.

Le président: M. Pringle.

M. Pringle: Eh bien, on a déjà répondu en partie à ma question, mais je me demandais, s'il y avait des renseignements particuliers, spécifiques, dont nous pourrions avoir connaissance actuellement en ce qui concerne les antécédents, l'historique qui permettrait d'expliquer la raison des demandes de comparution. Est-ce qu'il y a eu dans le passé des discussions, ou des plaintes, ou des problèmes

[Text]

we get an explanation of this, because I have to agree that we would be remiss were we just adopt the attitude that we would not acknowledge the request of witnesses who wished to come here and explain their position with regard to legislation. I find it difficult to argue the point.

Mr. Cobbe: Mr. Chairman, I was wondering if the gentlemen who are here this morning could outline the procedure as it exists with a manufacturer in his request to have an approval of his product; the procedure that is taken and the opportunity that these people have to either appeal or discuss the decision with the people who make this decision.

The Chairman: Do you wish to say something, Mr. Olson?

Mr. Olson: Mr. Chairman, a Cabinet meeting started at 10 o'clock which I must attend at least for a while, because there are some items of concern to the Department. Therefore, I think I ought to go. I would just like to say this and perhaps it is repetitive, however I did not challenge the right of this Committee to call witnesses. I certainly do not do that.

I would like you to bear in mind what the consequences may be if we start to call outside witnesses before a Committee that is legislating, rather than doing a job of investigating, because if this process begins then you would have to take into account the rights of literally dozens of other people to appear before this Committee and also take into account the time factors that are involved in doing this. With that caution, the Committee can decide. The officers from the Department who are here will be very happy to explain the situation with respect to the matter of appeal in other acts and that sort of thing, and also the matter of not only what will happen under this act in writing the regulations, but what has been done in the past. There is no great departure there at all, as far as I can see.

Mr. Barrett: Mr. Chairman, I would like to ask a supplementary question of the Minister before he leaves. We are in the transitional period at this moment between the old and the new. There are other Bills before the Committees of this House—and this is historical in a sense—and they are going through

[Interpretation]

qui sont survenus entre ces personnes et ceux qui ont rédigé le projet de loi?

Et si c'est le cas, est-ce que l'on pourrait entendre ces explications, parce que je dois reconnaître que, d'après moi, nous ne ferions pas ce que l'on doit faire si on ne reconnaît pas les demandes de comparution des témoins qui veulent expliquer leur position vis-à-vis de la Loi. Je pense qu'il serait difficile de repousser ces demandes.

M. Cobbe: Monsieur le président, j'aimerais que les membres ici présents, ce matin, décrivent la procédure que doit suivre un fabricant lorsqu'il veut faire approuver un de ses produits et les possibilités dont ils peuvent se prévaloir lorsqu'ils veulent en appeler d'une décision rendue ou en discuter.

Le président: Monsieur Olson?

M. Olson: Monsieur le président, si vous me permettez, il y a une réunion de cabinet qui a débuté à 10 heures et à laquelle je dois participer, du moins pour un certain temps, car plusieurs points à l'étude concernent mon ministère. Je vais donc devoir vous quitter. Je voudrais simplement vous dire, c'est peut-être une répétition mais, néanmoins, je n'ai pas prétendu que le Comité ne pouvait convoquer des témoins. Je voulais simplement souligner le danger qu'il pourrait y avoir à entendre des témoins de l'extérieur pour un comité qui discute de législation.

Si nous nous engageons sur cette voie, il nous faudra tenir compte du droit de comparaître de douzaines d'autres personnes, qui veulent venir ici, se faire entendre, et d'un certain nombre d'autres facteurs. Il appartient au Comité de décider. Les fonctionnaires du ministère, qui sont ici présents, seront très heureux de vous expliquer la situation en ce qui concerne le droit d'appel dans le cas d'autres lois, de même que, non seulement ce qui surviendra lors de la rédaction des règlements, mais également ce qui s'est passé antérieurement.

M. Barrett: Monsieur le président, avant que le ministre ne parte, j'aimerais lui poser une autre question. Nous passons présentement de l'ancienne méthode à la nouvelle. D'autres Comités de la Chambre étudient d'autres bills. Des témoins ont été convoqués lors de l'étude du bill omnibus de même que

[Texte]

the bills. For instance, on the omnibus bill, they had their witnesses appear, the same as the other Bills. They have gone through that process before arriving at this stage. In other words, this could have, should have or would have been done heretofore. Therefore, we are in the legislative situation, different and contrary to what we may do in the future when we are building up some problems, and we will hold these Committees and have witnesses, many of them, before we formulate any legislation.

Mr. Olson: There is another analogy that could be drawn, I suppose, and that is the one that deals with taxation and indeed the budget bills that come from the Minister's budget speech. There are literally hundreds of people who are vitally concerned with what is involved in those bills. Yet if we were to adopt the system of calling as witnesses everyone who has a very legitimate interest in those bills, I rather doubt we would get very far in actually dealing with the legislation. This is something that you will have to take into account.

• 1005

Mr. Pringle: Mr. Chairman, I agree with that completely, but I think we should take into consideration that we have an organization representing industrial concerns which has apparently taken some exception and feels it would like the opportunity to present its case with regard to this legislation. This is the reason why I was wondering if there is some information that we should have with respect to previous submissions which have been made by this organization which would help solve this and give us the opportunity of making a decision as to whether or not we should support the request. We have just received this this morning without any information or explanation whatsoever as to why they are making the request, other than that they want to be here.

The Chairman: I have Mr. Downey, Mr. Douglas and Mr. Howard. I will recognize Mr. Downey first.

Mr. Downey: Exactly how long is it, Mr. Chairman, since this bill was revised, or since this legislation has had any consideration?

The Chairman: We are amending a bill which was enacted first in 1939.

Mr. Downey: That is 29 or 30 years. Do you not think that in view of the fact that it has been this long that it would certainly be

[Interprétation]

lors de l'étude d'autres bills. Nous sommes appelés à approuver un projet de loi, mais contrairement à ce qui pourrait se passer à l'avenir, nous tiendrons plusieurs séances de Comité et entendrons des témoins avant d'en arriver à la formulation proprement dite du texte de loi.

M. Olson: Il y a également un autre aspect, celui des crédits budgétaires qui découlent du discours du budget. Il y a des centaines de gens qui sont fondamentalement intéressés par ce qui est prévu dans ces projets de loi et, pourtant, si on devait décider de convoquer des témoins, de convoquer toute personne qui a un intérêt légitime dans l'affaire, je me demande jusqu'où nous irions dans le processus d'adoption du projet de loi.

M. Pringle: Monsieur le président, je suis parfaitement d'accord avec cela mais, néanmoins, je pense qu'il faut tenir compte du fait que nous avons ici un organisme représentant des intérêts industriels et qui ont pris offense, en quelque sorte, du fait qu'ils ne peuvent soumettre leur point de vue. Est-ce qu'il n'existe pas certains détails, relatifs aux dépositions déjà faites par cet organisme, qui pourraient nous aider à régler le problème en nous permettant de décider, nous-mêmes, si nous devons ou non accéder à leur demande. On nous donne ce télégramme, ce matin, et nous ne possédons aucune explication sur la raison pour laquelle ils font cette demande.

Le président: M. Downey, M. Douglas, puis M. Howard. Monsieur Downey d'abord.

M. Downey: A quand remonte, monsieur le président, la dernière révision de ce bill?

Le président: Nous sommes en train d'amender un projet de loi qui a d'abord été promulgué en 1939.

M. Downey: Ça fait donc 29 ans. Est-ce que vous ne pensez pas, justement parce que ça fait aussi longtemps, qu'il serait utile d'enten-

[Text]

advantageous to have industry in to give us their recommendations on this? I do not think we can look at everything in the light of the time it takes. We must look at some of these things in the light of the need for better legislation, and we certainly need all the information we can get on this. It is not like the budget, which is revised every year and sometimes two or three times a year.

The Chairman: Thank you, Mr. Downey. We will hear Mr. Williams and then I will recognize Mr. Douglas, Mr. Howard, and Mr. Gauthier.

Mr. S. B. Williams (Deputy Minister of Agriculture): Mr. Chairman, I would not presume to give advice to the Committee, but the question was raised as to whether the witnesses had any information as to the basic reason why they are asking to appear to request, among other things, that an appeal procedure be established. I can only interpret; I cannot give you a firm answer from direct knowledge of my own as to why they are, but I think it would be useful to say that under the new hazardous substances bill there is provision that under Governor in Council authority any hazardous substance can be placed on a prohibited list. The original bill did not allow for an appeal. This association, among others, made representations to the government and an appeal procedure has been established.

I think there is a basic difference between the two bills in that under the previous wording of this hazardous substances bill, the substance could be put on the prohibited list based on no information from the manufacturer or distributor. I think under this bill the Department receives all the evidence that the company or the distributor is able to submit prior to making a decision. Therefore, there is some difference between the two situations. That is all I am saying. I believe that the background of this is that in respect of the hazardous substance act, the act does provide for an appeal.

• 1010

I may say that under our own Fertilizers Act we have, not an appeal procedure, but we have provision for a hearing any time before we can cancel, and it is the intent of this act to provide the same thing by regulation, before we can cancel a registration. I think the same philosophy applies there, namely, that you should allow the people who are going to be affected to make representations prior to an act taking place. Presumably under this act—and we do, as I say, have it

[Interpretation]

dre les responsables de l'industrie nous communiquer leur point de vue à ce sujet. Je ne pense pas que l'on puisse tout étudier compte tenu du temps dont nous disposons. Il nous faut examiner certains points et, surtout, obtenir tous les renseignements possibles. C'est différent du budget qui, lui, est révisé deux ou trois fois par an.

Le président: Merci, monsieur Downey. M. Williams, puis M. Douglas, M. Howard et M. Gauthier.

M. S. B. Williams (sous-ministre de l'Agriculture): Monsieur le président, j'espère que l'on ne croira pas que je donne des conseils au Comité, mais je me demande si les témoins avaient les renseignements concernant les raisons pour lesquelles ils nous demandaient le droit de pouvoir interjeter appel lorsqu'un refus leur est signifié. Je ne peux pas vous donner une interprétation catégorique de la raison pour laquelle ils font cette demande, mais je pense qu'il est bon de dire que d'après le nouveau projet de loi sur les substances dangereuses, il y a une clause qui prévoit que, par arrêté ministériel, il est possible de mettre n'importe quelle substance sur la liste des substances dangereuses. Le bill original ne permettait pas d'interjeter appel. Cette association, ainsi que d'autres, ont fait des requêtes à ce sujet et une procédure d'appel a été créée.

Je pense qu'il y a une différence entre les deux projets de loi, en ce sens que, d'après la loi antérieure sur les substances dangereuses, d'après le texte de la loi, la substance pouvait être mise sur cette liste sans que le fabricant ou le distributeur puisse fournir de détails pertinents à l'affaire. Je crois qu'aux termes du projet actuel, le Ministère reçoit les renseignements que le manufacturier ou le distributeur veut lui communiquer, avant de prendre une décision. Il y a donc une différence.

Je pourrais également ajouter que, d'après la loi sur les engrais chimiques, nous n'avons pas de procédure d'appel; disons que nous avons possibilité d'entendre qui que ce soit avant d'annuler cet enregistrement. Et je pense que cela s'applique ici également. En effet, il faudrait permettre à ceux que la loi touchera de se faire entendre avant que la loi ne soit votée.

Par conséquent, d'après cette loi et comme c'est le cas pour la loi sur les engrais chimi-

[Texte]

under the Fertilizers Act—before we cancel it we give them an opportunity to make representations. We state that we propose to cancel the registration and we give them every opportunity to make representations which, of course, is in the nature of an appeal, as it is under the hazardous substance act. This is an appeal, or a hearing against a product being put on this prohibited list in the other act.

The Chairman: Mr. Douglas.

Mr. Pringle: Could I ask a supplementary question which is related to this very question? Do we have any precedents where registrations have been refused, or have been cancelled and there has been a request for an appeal and an appeal has been granted?

Mr. Williams: I would say that we have many precedents where the Department, in its normal administrative procedures has refused registration and where appeals have been made at various levels from the Minister down, and in these cases it is reconsidered.

I will ask Mr. Jefferson to give you an estimate of the number of appeals that have been refused and allowed. If Mr. Jefferson is unable to furnish these figures we will get them for you.

Mr. C. H. Jefferson (Director of Plant Products Division): Mr. Chairman, further to what Mr. Williams has said, in the normal procedure of registration there is an interplay in the assessment of the evidence that is presented in support of the application for registration and occasions do arise where in the judgment of officials and their advisers there is not sufficient support for a registration. I believe that this area was largely covered at Tuesday's sitting.

The number of standing registrations at the moment is in the neighbourhood of 3,300. They are annual registrations and there is a turnover of somewhere in the neighbourhood of between 300 and 500 products per annum. Old products drop out and new products come in. Against that a rough estimate of the number of contentious refusals to register would be in the order of less than 10, and the number that would reach the director-general's level or beyond the immediate administration of the Act would be in the order of one or perhaps two a year.

The Chairman: Thank you, Mr. Jefferson.

I apologize to Mr. Douglas for having permitted this interjection. Mr. Douglas, you are now recognized.

[Interprétation]

ques, nous leur donnons la possibilité de se faire entendre avant de retirer leur produit. C'est en quelque sorte un droit d'appel semblable à celui qui existe sous l'empire de la loi sur les substances dangereuses.

Le président: Monsieur Douglas?

M. Pringle: Est-ce qu'un enregistrement a déjà été refusé, ou retiré, et qu'un appel ait été interjeté et accordé?

M. Williams: Il existe beaucoup de précédents où le ministère, de par la procédure administrative ordinaire, a refusé d'enregistrer un produit et un appel a été interjeté à différents niveaux.

M. C. H. Jefferson (Directeur, Division de produits végétaux): Monsieur le président, à la suite de ce que vient de dire M. Williams, dans la procédure normale d'enregistrement d'un produit, il y a un échange de vues dans l'évaluation des preuves et des témoignages qu'on entend pour l'acceptation du produit, et il se trouve des cas où de l'avis des responsables, il n'est pas juste et valable d'accepter cette demande. Je pense que nous en avons beaucoup parlé, notamment mardi.

Le nombre de cas qui sont soumis actuellement est d'environ 3,300. Ce sont des enregistrements annuels et il y a un roulement en quelque sorte d'environ 300 à 400 produits par an, c'est-à-dire d'anciens produits qui disparaissent et de nouveaux produits qui apparaissent. Lorsqu'il y a un refus d'enregistrement, c'est seulement dans dix cas sur la totalité de ces cas, et le nombre de ceux qui se rendent au niveau du directeur général ou au-delà se résume à un ou deux par an, en moyenne.

Le président: Merci monsieur Jefferson. Je m'excuse auprès de M. Douglas d'avoir laissé la parole à M. Jefferson. Je lui donne maintenant la parole.

[Text]

Mr. Douglas: My question has been partly answered. I was going to ask how much consultation has been held with chemical people and others interested in the formulation of this proposed act. I presume from some of the answers that there is a more or less constant interplay between people making chemicals and wanting to register them and the Department and I would assume that the reason for this proposed act was to bring the regulations up to date in line with the obvious needs.

• 1015

To go a little further on the question of procedure—and I would not be able to quote any direct statement to this effect—I believe that in our discussions of the rule changes in the House back in December one of the advantages attached to committees being given the responsibility for dealing with legislation at this stage was that we would have the opportunity and the right to call witnesses.

I certainly think there is every justification in this case for acceding to the request of the Chemicals Association to appear before us, and I do not think it would unduly delay our procedures. If we do find that we get involved with too many witnesses and that they are not contributing we would have the right to say, well, that is enough witnesses, we do not want to spend any more time at that, and call an end to it. Apparently there has been only one request and I would be in favour of acceding to that request.

The Chairman: Gentlemen, I have Mr. Howard, Mr. Gauthier and Mr. Côté who wish to ask questions.

Would the Committee agree to refer this motion to the Steering Committee for further study, that we proceed with the bill as we were on Tuesday last, and that before we complete consideration of clause 1 we decide whether the Agricultural Chemicals Association should be called and what the course of our Committee should be.

Is it agreed that we refer this motion to the Steering Committee in the hope that they might meet over their lunch hour and give us some guidance at our next meeting?

M. Côté (Richelieu): Je serais d'accord.

The Chairman: I have a motion but I think it would have to be by general agreement, if we decided to do that.

[Interpretation.]

M. Douglas: Eh bien, on a répondu en partie à ma question. Je voulais savoir combien de discussions, de consultations ont eu lieu avec les responsables des produits chimiques. En fait, je voulais savoir comment cette décision a été prise. Je pense qu'il y a plus ou moins un échange permanent entre les fabricants cherchant un enregistrement et les responsables du ministère, et je pense que la raison de ce projet de loi était de mettre à jour les règlements afin de répondre aux besoins actuels.

Maintenant, en ce qui concerne la procédure, et je ne pourrais pas véritablement citer des déclarations faites à ce sujet, je pense que dans la discussion des modifications du règlement de la Chambre, en décembre, l'avantage qu'il y avait à donner aux comités le pouvoir de discuter des projets de loi, c'est que nous aurions la possibilité, le droit de convoquer des témoins. Je pense certainement que cela nous donne le droit d'accéder à la requête de l'Association des fabricants de produits chimiques, et je ne pense pas que cela retarderait notre procédure. Si nous constatons que nous avons trop de témoins à entendre et que cela ne nous apporte rien, eh bien, nous avons le droit de dire: cela suffit, nous n'avons pas besoin de passer plus de temps à cela. Mais apparemment, il y a une seule demande de faite, et je ne vois pas pourquoi on ne pourrait pas l'accepter.

Le président: Eh bien, messieurs, j'ai M. Howard, M. Gauthier et M. Côté qui veulent poser des questions. Le Comité accepterait-il de renvoyer cette motion au Comité directeur qui en étudierait les tenants et les aboutissants et voir si nous ne pourrions pas poursuivre maintenant l'étude du projet de loi, et avant de terminer l'examen de l'article 1, nous prenions une décision, à savoir si cette association doit ou non se présenter.

Est-ce que vous êtes d'accord, donc, pour renvoyer cette motion au Comité directeur espérant que peut-être au cours du déjeuner, il pourrait étudier la chose et nous en donner réponse lors de la prochaine séance?

Mr. Côté (Richelieu): I move that we do that.

Le président: J'ai déjà une motion mais je crois qu'il faut qu'elle soit acceptée à l'unanimité si nous devons l'accepter.

[Texte]

Mr. Gleave: Mr. Chairman, with all due respect, I do not see anything to be gained by such a procedure. The main job of the Steering Committee as I understand it, is to work out and suggest to the Committee the order of business coming before it. Now this particular matter before us has nothing to do with the general order of business coming before this Committee but with a particular request put before this Committee by this organization to appear. I fail to see where we advance our cause by going back to the Steering Committee. We might as well make the decision now. Do we want them or do we not want them?

The Chairman: Mr. Gauthier, I will recognize you in a moment.

May I suggest that there is a little difference. One could say that this is actually an arm of the legislative function of parliament. In the passing of any bill heretofore private groups have had the opportunity of lobbying with members, even in an unofficial calling of a committee. I think probably there would be lots of reasons that this particular group might want to meet with members of the Committee and with members of parliament generally.

In inviting them into this meeting, constituted as it is, we are probably getting into a rather dangerous area but I am prepared to be guided by the wisdom of the Committee.

I am going to recognize Mr. Howard, Mr. Gauthier and Mr. Côté because they are on my list, and then I will recognize new questioners.

• 1020

Mr. Howard (Okanagan Boundary): Mr. Chairman, I was intending to speak to the general proposition of calling witnesses and not to the matter of whether it should be decided by the Steering Committee. I do feel that we should look at the fact that we are establishing a precedent—we are breaking new ground here in our legislative procedures, and that if we do call witnesses then we are establishing a precedent that surely somebody is going to follow in the future. This place seems to operate on precedents and the mere fact that we had, at one time, allowed witnesses to appear before a committee is going to be sufficient reason for someone to insist that there is a right for someone else to appear.

[Interprétation]

M. Gleave: Monsieur le président, très respectueusement, je ne vois pas ce que l'on aurait à gagner en agissant ainsi. Le travail du Comité directeur d'après ce que je crois savoir dans l'ensemble, est de décider ou disons de mettre sur pied et de suggérer l'ordre du jour de nos réunions du Comité. Cette question dont nous sommes saisis n'a absolument rien à voir avec l'ordre du jour du Comité, mais porte sur une demande particulière qui a été soumise au Comité par cet organisme qui demande à comparaître. Je ne vois absolument pas de quelle manière nous avancerions en renvoyant cela au Comité directeur. Il faudrait prendre la décision immédiatement. Voulons-nous les voir, oui ou non?

Le président: Oui, monsieur Gauthier, je vous donnerai la parole dans un instant.

A titre de renseignement, je pourrais vous dire qu'il y a une légère différence. On pourrait dire que c'est là un bras du rôle législatif du Parlement plutôt et non pas du gouvernement. Dans le vote d'une loi quelconque, jusqu'à présent, les groupes privés ont eu la possibilité de discuter avec les membres officieusement, dans les coulisses, et je pense qu'il y a beaucoup de raisons pour lesquelles ce groupe particulier préférerait se réunir avec les membres du comité, avec les députés en général.

Je pense que lorsqu'on les invite à une séance comme celle-ci, telle qu'elle se déroule, je pense que l'on entre dans une zone assez dangereuse, mais pour ma part, je suis prêt à suivre la sagesse du comité.

Maintenant je donne la parole à M. Howard, puis à M. Gauthier, et ensuite à M. Côté, et ensuite je donnerai la parole à d'autres personnes.

M. Howard (Okanagan-Boundary): Monsieur le président, concernant cette question de comparution des témoins, je ne veux pas aborder la question du Comité directeur pour le moment. Je pense, pour ma part, que nous devrions voir que nous sommes en train d'établir un précédent ici. Nous abordons du nouveau dans nos procédures législatives, et si nous invitons des témoins, il y aura là un précédent que certains vont suivre à l'avenir, car on semble toujours agir sur précédent ici et le fait que l'on ait permis une fois à des témoins de témoigner, cela suffira pour que d'autres permettent à d'autres témoins de venir comparaître.

[Text]

I think that this is an unnecessary step to take. As the Chairman pointed out a minute ago, anyone who has a point they want to make has the opportunity to lobby and to make representations on a personal basis to members of the Committee or to other members of the house.

I see no reason that we should not accept a written submission from these people, if they wish to make copies available to the members of the Committee, which could be studied and perhaps even included with the records of the Committee, but I am opposed to the idea of allowing witnesses in at this time—certainly on something which is not of major consideration. I think it would be foolish to take this step at this time and I am going to vote against the proposition.

M. Gauthier: Je vous remercie, monsieur le président. Laissez-moi vous dire que la discussion en cours ce matin me surprend beaucoup. J'étais sous l'impression, mais peut-être en était-ce une fausse, que la nouvelle méthode de travail, qui consiste à renvoyer un bill en comité, nous permettrait de convoquer les témoins au besoin. Le Comité avait tout le loisir, et on l'a dit dans les journaux, à la télévision, à la radio, de traiter sur place avec les personnes intéressées. Or, les seules personnes vraiment intéressées sont, en l'occurrence—les producteurs de ces mêmes produits et les consommateurs, c'est-à-dire les cultivateurs qui les emploient.

J'écoutais la remarque tout à l'heure d'un de nos collègues, disant qu'il était surpris de voir que les cultivateurs n'étaient pas venus au Comité, et il est inconcevable que l'occasion de le faire ne leur soit pas donnée. Monsieur le président, on fait plus que cela, on ne les invite même pas! Et aujourd'hui, je me rends compte qu'on ne leur permettra même pas de se présenter au Comité! Eh bien, là, je pense bien que le travail du Comité est tout autre que ce à quoi nous nous attendions. Je suis certain que parmi les producteurs, ceux qui sont prêts à venir témoigner et donner leur opinion, car ils sont vraiment intéressés, se sont déjà vu refuser des permis d'enregistrement. Ceci a eu pour effet de les mécontenter, mais ils n'avaient aucun recours. Quel jeu a pu se faire dans ces refus!

Nous avons ici des fonctionnaires, qu'on appelle des conseillers, pour nous orienter, mais somme toute, je crois bien que ce sont les grands penseurs des lois, ceux qui les rédigent, mais je ne voudrais pas aller trop loin, car je reconnais leur compétence. Mais, à mon avis, je crois qu'il serait normal que ceux qui subiront l'effet des lois, puissent avoir le droit de venir exprimer leur opinion

[Interpretation]

Je pense que c'est là une mesure inutile. Comme l'a dit le président, quiconque a un avis à donner, il aura la possibilité de le faire dans les coulisses et de faire des représentations dans les coulisses auprès des membres du comité, ou auprès des membres du Parlement, les députés.

Je ne vois aucune raison pour laquelle on n'accepterait pas un mémoire de ces personnes si elles veulent en envoyer des exemplaires aux membres du Comité qui pourraient l'étudier et on pourrait même le mentionner dans le rapport, mais je m'oppose à l'idée de permettre aux témoins de comparaître en ce moment sur quelque chose qui ne fait pas l'objet d'une étude majeure. Je ne suis pas disposé à accepter cela et je voterai contre la proposition.

Mr. Gauthier: Mr. Chairman, thank you. Let me say that I am quite surprised this morning by the discussion. I was under the impression—it might be a wrong impression that I had—that the new working method that consists in sending a bill to Committee, would enable us to call witnesses whenever necessary. The Committee had all the possibilities in the world, this was told on radio, television and in the newspapers, of dealing on the spot with all people concerned. Now, the only people who are really interested are, in this instance, the producers of these products and the consumers, i.e. the farmers using them.

I was listening to the observation made earlier by one of our colleagues who said that he was surprised to see that the farmers had not come to the Committee, and that it was unthinkable that the opportunity to do so be denied them. Well, Mr. Chairman, we do more than that, they are not even invited to come. Moreover, today I realize that now we will not even allow them to come before the Committee.

Therefore, I believe that the Committee's work is totally different from what was expected by everyone. I am sure that some producers, especially those who are ready to give evidence and voice their opinion—because they really are interested—have already been refused certification. This has caused discontent amongst them, but they had no possibility of appealing to this.

Here we have officials who are called advisers, to guide us. I recognize the competence of these people, but apart from this, I believe that those who are going to be affected by the laws should be given the right to come before the Committee. It is unthinkable that this should not be so.

[Texte]

à ce Comité et il est inconcevable qu'il en soit autrement.

Qui sait, nous aurions peut-être des surprises, ils pourraient nous apporter des arguments auxquels nous n'avons jamais pensé.

Je tiens à ce que nous tous du Comité, ayons toujours à l'esprit que notre travail essentiel et précis, à mon avis, est de nous renseigner à fond, afin de voter une loi qui s'adaptera le mieux à toutes les circonstances. Mais si nous refusons tout témoignage, alors, nous retombons dans les mêmes erreurs que par le passé. Merci.

• 1025

M. Côté (Richelieu): Monsieur le président, tout comme M. Gauthier, je suis un peu surpris, de la tournure des événements, mais dans un autre sens.

Depuis le début de nos discussions se rattachant aux trois bills que nous avons votés jusqu'à maintenant, il semble qu'il y ait une règle établie à l'effet de prolonger le débat. S'il s'agit de défendre les cultivateurs, nous agissons de telle sorte que la discussion ne porte que sur ce sujet et il en est ainsi dans le cas des compagnies. Pour ma part, je ne sais plus qui on veut défendre! Selon moi, la Loi est faite dans le but d'essayer de protéger les cultivateurs ou certaines personnes qui de loin ou de près sont rattachées à l'agriculture, mais qui n'ont aucune possibilité de voir les effets néfastes de certains produits.

Des spécialistes du ministère préparent un projet de loi mais ils subissent des pressions. Tout à l'heure, nous avons entendu des représentants, des témoins qui nous ont dit que suivant le télégramme que vous avez reçu, il y a eu certaines remarques à l'effet que la loi les affectait de telle ou telle façon. Alors, ils savent la raison pour laquelle ils ont préparé le projet de loi tel quel, et ils savent déjà pourquoi ces témoins-là veulent témoigner. S'ils viennent ici, je comprends, comme M. Gleave disait tout à l'heure, qu'ils aimeraient être renseignés afin de bien représenter ces personnes-là.

Mais moi, je me place à un autre point de vue et je dis: «Moi, je veux défendre les cultivateurs». Alors nous allons faire venir des cultivateurs, ainsi que des représentants d'associations agricoles. Nous aurons ainsi, non pas un comité qui légifère en matière de législation, mais un comité d'enquête. Nous allons enquêter peut-être dix jours, trois semaines, nous allons faire des enquêtes et ce n'est pas notre rôle.

Notre rôle est de légiférer suivant le projet de loi, ou les questions qu'on peut poser à ceux qui sont vraiment au courant des problèmes des consommateurs, ou qui sont en

[Interprétation]

We might have surprises, certainly. Perhaps the reasons they will give us will be different from what we have thought about, but the Committee must remember that its main and specific work in my opinion is to have full information on the Bill so that the Bill which will be voted upon, which will be passed, will be the best in the circumstances and if the Committee turns down any possibility of hearing witnesses then we fall into the same errors as before. Thank you very much.

Mr. Côté (Richelieu): Like Mr. Gauthier, Mr. Chairman, I am surprised to see the turn events have taken but for a different reason. Since the beginning of our discussion on the three bills that we have passed so far, it seems to me that we have established a rule to extend the debate. Do we defend the farmers, do we defend the companies? I do not know who we are defending now. This is the problem. I believe the Act aims at protecting the farmers or some people who are closely or remotely related with agriculture—with farming—but who have no chance whatsoever to see the harmful effect of certain products.

Department experts are preparing a draft for a bill but they are under pressure. Earlier we heard the members who said that they had received telegrams stating that the senders would be adversely affected.

So they know now why the bill was drafted in such a haphazard way. And they know why those witnesses want to testify. I can understand, as Mr. Gleave said a while ago, that they would like to be informed so as to be able to represent these people properly.

But I'm looking at this from another angle. I'm looking after the farmer's interests so we're going to bring farmers here and agricultural associations. We shall then have a committee of enquiry rather than a legislative committee. We shall investigate for 10 days or so, maybe three weeks. We are going to investigate and this is not our role.

Our task is to legislate according to the bill or question the experts who really know the consumers' problem or who are in contact with manufacturers or producers. And I do

[Text]

contact avec les producteurs et la ou les compagnies qui font tel produit. Nous avons les témoins et je ne pense pas que, comme M. Gauthier disait tout à l'heure, nous en refusions présentement. A mon avis, nous n'empêcherions personne de venir témoigner.

Mais, nous sortons des cadres de notre pouvoir actuellement, nous pouvons le faire, mais où cela nous mènera-t-il? Je crois que pour ma part, si on disait: «Nous acceptons cela», alors, immédiatement, je convoque des associations de cultivateurs, car, en accord avec la teneur du bill, je suis plus intéressé à défendre les cultivateurs que les compagnies, car il sera plus facile pour ces dernières de le faire amender que ce ne le sera pour les agriculteurs.

Vraiment, je ne sais plus qui on veut défendre quand on fait venir des témoins; nous, nous avons toujours le loisir de questionner des fonctionnaires, en cas de doute, nous pouvons les convoquer à titre privé. Et lorsque le président vous a proposé, tout à l'heure, le renvoi de cette loi au Comité qui pourrait étudier si nous avons le droit de le faire ou attendre encore un peu, à ce moment-là, s'il y en a qui veulent faire venir des représentants des compagnies, ils peuvent le faire et se renseigner à fond. Alors, je m'oppose absolument, parce que ce serait créer un précédent dont nous ne verrions pas la fin. C'est mon opinion.

The Chairman: Thank you, Mr. Coté. I think this is an introduction of the danger that we might be getting into; if we call one group we will have to call farmers' groups and every other group. So the legislative process in which we are engaged could be completely delayed. I am recognizing Mr. McKinley.

Mr. McKinley: Mr. Chairman, I suggest that we are getting into the very basis of the change in the rules, and I believe that the only reason the rules were changed to get rid of the resolution stage and have token speeches on second reading was simply because the bills would be able to be given more of a hearing in committee. The calling of witnesses, I believe, was particularly mentioned.

I might also add for Mr. Coté's benefit that the registering of new products when the farmers need them is also as much a protection to the farmer as not registering, in many cases.

I can talk from personal experience on some things that were needed in the poultry industry in the way of vaccines and so on, and were not allowed into this country, not registered for a long time after they could

[Interpretation]

not think, as Mr. Gauthier was saying a while ago, that we are refusing witnesses at present. I do not think we would prevent anyone testifying.

But we are going beyond the limits of our authority now. If we do this where will it lead to? If we proceed along those lines, I personally will call in farmers' associations immediately for in accordance with the content of the bill I'm on the side of the farmers rather than on the companies'. The companies can get amendments easier than the farmers.

Really I'm not sure whose side we're on when we call witnesses. We have all the time in the world to question department officials, in case of doubt and we can have them along unofficially when the Chairman proposed just now that the bill be sent back to committee to see whether we are entitled to do this or wait a while, if there then are some who want to have company representatives as witnesses, they can do so and get the most exhaustive information possible. So, I am most definitely opposed to this because it would create a precedent with unpredictable consequences.

Le président: Je pense que c'est là un aperçu des dangers que nous courrons: si nous appelons un groupe, nous devrons en appeler un autre, et puis, un autre, et puis un autre. Et, par conséquent, le processus législatif pourrait en être complètement retardé. Je donne maintenant la parole à M. McKinley.

M. McKinley: Monsieur le président, cette discussion nous amène au fondement des modifications du règlement, et je pense que ces règlements ont été tout simplement modifiés parce que les bills pourraient être mieux étudiés en comité. La possibilité d'entendre des témoins avait, je crois, été signalée.

J'aimerais ajouter, à l'intention de M. Coté, que l'enregistrement de nouveaux produits lorsque les fermiers en ont besoin, est une protection qui vaut autant pour les fermiers que s'il n'y a pas d'enregistrement.

Personnellement, je connais le cas de vaccins qui étaient nécessaires pour l'industrie avicole, qui n'ont pas été acceptés dans ce pays et qui n'ont pas été enregistrés, alors qu'ils auraient pu l'être. J'ignore pourquoi.

[Texte]

have been, although I do not know for what reason. But it cost the poultry producers of this country a lot of money until it was done, and it was not done until there was enough pressure put on to get it done. For that reason I say that we are protecting the farmer just as much in that regard as we are in not registering products that are not fit to be used in this country.

• 1030

I think the only reason that the new rules passed in the House—I know I have a speech still in my office—was that we were given assurance that bills would be able to be heard, witnesses would be able to be called in the committee, and the bills given thorough reading to save time in the House.

Also, I would like to suggest that if this is done it will save time on third reading when it goes back to the House. And if it is not done I think there will be, maybe, some hold-up on these bills for some of these reasons when it goes back to third reading. So I do not think we are going to get into trouble time-wise. I think, in the long run, we are going to save as much time by hearing these people because there must be something they want to say. I think it is their right to be heard and I think it is the members' right, in the fact that they passed the new rules, to hear them and to find out and be satisfied with that and when it goes back for third reading it is passed and it is over.

The Chairman: Gentlemen, I have three members who wish to ask questions, Mr. Danforth, Mr. Lessard and Mr. Lambert. I would ask permission of the Committee to terminate the discussion then and to call for the question.

I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, what I wish to discuss now and ask questions on is in clarification at the position of the Committee on this vote. My understanding is that under the new rules and provisions this Committee has the power to hear witnesses without limitation.

Mr. Clermont: This is not a new rule; committees had the power before.

Mr. Danforth: I agree, but would you please hear me out?

Mr. Clermont: I am not agreeing with you; this is not a new power.

Mr. Danforth: Please hear me out.

The Chairman: Mr. Danforth has the floor.

[Interprétation]

Mais je sais que les éleveurs de volailles ont perdu beaucoup d'argent et que des changements ne sont survenus qu'après que de nombreuses pressions furent exercées. C'est pour quoi, j'affirme que les fermiers sont protégés de cette façon, tout comme ils le sont lorsque l'enregistrement est refusé à des produits jugés inacceptables.

Les nouveaux règlements ont été approuvés en Chambre parce qu'on nous a assuré que les bills seraient étudiés, que des témoins pourraient être convoqués en Comité et que cette étude des bills épargnerait beaucoup de temps en Chambre.

Nous sauverons également du temps lorsque viendra le moment d'approuver le bill en troisième lecture, en Chambre. Si nous n'agissons pas ainsi nous perdrons du temps au moment de la troisième lecture. Je crois qu'en fin de compte nous sauverons beaucoup de temps à entendre ces gens, car ils ont certainement quelque chose à dire. Je crois, personnellement, qu'ils ont le droit d'être entendus et que les députés, qui ont approuvé le nouveau Règlement, ont le droit de les entendre, et quand ça passera en troisième lecture, ce sera passé très rapidement et voté très rapidement.

Le président: Messieurs, j'ai encore trois noms sur ma liste: M. Danforth, M. Lessard et M. Lambert. Je demanderais la permission du comité de clore le débat et de demander le vote ensuite. Je donnerai alors la parole à M. Danforth.

M. Danforth: Monsieur le président, ce que je veux discuter maintenant, et poser des questions à ce sujet, c'est un éclaircissement de l'attitude du Comité vis-à-vis ce vote. Si j'ai bien compris, en vertu des nouveaux règlements, le comité a le droit et le pouvoir d'entendre des témoins sans limite.

M. Clermont: Ce n'est pas un nouveau règlement. C'est ce qui existait auparavant.

M. Danforth: D'accord, mais écoutez-moi, s'il vous plaît.

M. Clermont: Je ne suis pas d'accord; il s'agit d'un nouveau pouvoir.

M. Danforth: Veuillez m'entendre.

Le président: M. Danforth a la parole.

[Text]

Mr. Danforth: Under the provisions of the new rules, this Committee has the power given to it to call witnesses. Therefore, since this is the provision and the rules as laid down by Parliament, this Committee cannot vote that witnesses be not heard. We can only vote that a request of a certain group be not heard. We cannot, in my submission, take the position that this Committee cannot call witnesses because this is laid down by the provisions of Parliament. We are therefore bound by the rule that we must call witnesses.

Now my point is this: This amendment deals only with the request of this specific group to be heard and this is all that we can vote on, "yes" or "no" whether this particular request is acceded to by the Committee. We cannot vote on the legislative aspect; because legislation is before the Committee we cannot call witnesses. This has been decided by Parliament. It cannot be changed by us, so when we are voting we are only voting as to whether the request of a particular group to appear before this Committee is acquiesced in or not. I think this should be perfectly clear before we vote.

I think it would be unfortunate indeed, Mr. Chairman, for us as a Committee to be placed in a position where separately we are going to invite groups to appear before us and act as their spokesmen before a standing committee when it would be just as logical and much more simple for the committee to hear these submissions as a group and in speaking towards a written submission which had a great deal of merit.

The only weakness of a written submission is the fact that you are not able to ask questions on the various points that may come up.

So, Mr. Chairman, I fail to see the logic in trying to curtail the work of a committee because a time factor keeps cropping up. Are we on a schedule? Have we so many hours to deal with each bill? If we have I think we should know it now. My idea of committee work is that we work together in a non-partisan way in order to try to provide for Parliament the very best possible bill. I think if we approach it in this way we will get somewhere.

• 1035

The Chairman: Thank you. I think you have made your point. Mr. Clermont?

[Interpretation]

M. Danforth: En vertu du nouveau règlement, le Comité a reçu le pouvoir de convoquer les témoins. Par conséquent, étant donné que cette disposition et ce règlement existe et a été établi par le Parlement, le Comité ne peut pas décider qu'il ne peut pas entendre les témoins. On peut tout simplement décider que la demande d'un certain groupe ne sera pas entendue. A mon avis on ne peut pas présumer que le Comité n'a pas le droit de convoquer des témoins car cela a été établi par le Parlement. Par conséquent, nous sommes tenus par cette règle à l'effet que nous convoquons des témoins.

Voici ce que je voulais dire: L'amendement traite seulement du groupe particulier à être entendu. C'est la seule chose sur laquelle nous pouvons voter «oui» ou «non» si cette demande particulière sera agréée par le Comité. Nous ne pouvons pas voter sur l'aspect législatif; puisque c'est l'aspect législatif qui est devant le comité, on ne peut pas convoquer les témoins. Cela a été décidé par le Parlement et nous ne pouvons le changer. Nous votons seulement quant à savoir si la demande faite par un groupe particulier sera agréée, oui ou non. Je crois que ça devrait être éclairci et très clair dans notre esprit avant de voter.

Je trouve, monsieur le président, que ce serait malheureux que nous, en tant que Comité, soyons mis dans une situation où nous aurions à être le porte-parole de certains groupes auprès du Comité directeur alors que ce serait aussi logique d'entendre et beaucoup plus simple d'entendre leurs mémoires à titre de groupes et en discutant un mémoire ayant beaucoup de mérite.

La seule différence avec un mémoire écrit, c'est que vous n'êtes pas en mesure de poser des questions sur les différents points qui sont soulevés.

Par conséquent, monsieur le président, je ne vois pas du tout la logique en cause si nous voulons essayer de restreindre le travail d'un comité en raison de ce facteur temps. Est-ce que nous avons un horaire d'établi? Est-ce que nous avons tout simplement un certain nombre d'heures pour discuter de ces bills. Si tel est le cas, je crois que nous devrions savoir ce que je pense du travail de comité, c'est que nous travaillons ensembles de façon non partisane pour essayer de donner au Parlement le meilleur bill possible. Si nous adoptons cette attitude, nous ferons des progrès.

Le président: Merci, monsieur Danforth. Monsieur Clermont?

[Texte]

M. Clermont: Monsieur le président, voici la question supplémentaire que je voulais poser à M. Danforth: Les membres insistent sur le fait que c'est un nouveau règlement qui veut qu'un comité ait le droit d'appeler des témoins. Or ce n'est pas un nouveau règlement, nous avions ce droit avant. L'article 65, prévoit qu'un membre d'un comité peut, sur une déclaration écrite au président, demander qu'un groupe ou une personne soit demandé d'apparaître comme témoin devant un comité. C'est prévu.

Je soutiens, Monsieur Danforth, que les règlements des comités permettaient avant et, le permettent encore, à un comité d'entendre des témoins. Mon objection du début, monsieur le président, portait sur l'expression que vous avez utilisée. J'ai accepté la correction de M. Douglas, précisant que nous avons le droit et que c'est notre devoir de solliciter des commentaires des fonctionnaires du gouvernement et pour terminer, je n'y vois pas d'objections.

Cependant, quand M. Howard prétend qu'en acceptant un témoin ici, nous créerions un précédent, moi je sais, monsieur le président, que dans d'autres comités, même sous l'empire des anciens règlements, les comités ont eu des témoignages de personnes de l'extérieur et je crois que si nous autorisons les représentants de «l'Association des producteurs de produits chimiques» de venir devant ce comité, ce ne serait pas créer un précédent.

The Chairman: Thank you, Mr. Clermont.

Mr. Barrett: Mr. Chairman, I have a supplementary also along those lines for clarification, if I may. It was mentioned in relation to witnesses—and I am not saying this is normal because I do not know that much about the procedure—that generally speaking when committees were meeting they would discuss what witnesses were necessary to add to their whole philosophy. Then they would be referred to the steering committee who would indicate or check the availability, the time lag and all this sort of thing, and find out what these witnesses would have to suggest; then would hear them.

We would listen to the report and, if there was dissatisfaction, then there would be a motion such as we have on the floor at the moment which would be right and they would then have to agree or disagree with one specific witness. We would request them, not vice versa.

The Chairman: Thank you, Mr. Barrett. Mr. Lessard?

[Interprétation]

Mr. Clermont: Mr. Chairman, the supplementary question I wanted to put to Mr. Danforth was this one. Members insist on the fact that it is a new Standing Order that stipulates that we have a right to call witnesses before the Committee. Now, this is not a new regulation. We had this right before. According to Standing Order 65 a member of a Committee may, through a written statement to the Chairman, request that a group or a person be called to appear as witnesses before a Committee. Provision has been made for this.

My argument was, Mr. Danforth, that the Committee Standing Orders previously allowed us, and still allow us, to call witnesses. Mr. Chairman, my first objection had to do with the expression you used. I accepted the correction by Mr. Douglas that we have the right and that it was our duty to request comments from officials of the government, and in conclusion, I do not see any objection.

However, when Mr. Howard said that if we were to accept a witness here it would be creating a precedent, I know, Mr. Chairman, that in other Committees, even under the former Standing Orders, Committees had testimony from persons from the outside. And I think that if we were to accept the representatives of the Pharmaceutical Manufacturers Association of Canada to appear before this Committee, it would not be a precedent.

Le président: Merci, monsieur Clermont.

M. Barrett: Monsieur le président, une question supplémentaire pour éclaircir le sujet si je le puis. On a mentionné en ce qui concerne les témoins, et je crois que c'est normal, parce que je ne connais pas trop la procédure, mais en général lorsque les comités se réunissaient, ils discutaient ce que pouvaient ajouter les témoins à toute notre philosophie. On en parlait ensuite au Comité directeur et ce Comité directeur vérifiait la disponibilité et les heures qui restaient, etc., et ce que les témoins auraient à dire.

Ensuite nous les entendrions, et si à la suite de ça il y avait mécontentement, il y aurait une motion telle que nous avons devant nous à l'heure actuelle et ensuite il faudrait être d'accord ou en désaccord avec un témoin précis. Mais ce serait nous qui ferions la demande et pas le contraire.

Le président: Merci, monsieur Barrett. Monsieur Lessard?

[Text]

M. Lessard (Lac-Saint-Jean): Monsieur le président, je comprends que la situation est assez difficile, surtout que l'expérience ait nouvelle, comme le soulignait M. Gauthier. Tout le monde du moins est d'accord pour dire que les nouveaux règlements veulent que les bills soient envoyés en comité pour être étudiés en deuxième lecture. C'est certainement une amélioration, apportée afin que les bills soient mieux étudiés et plus en profondeur. Auparavant, nous n'avions pas l'avantage, en Chambre, d'avoir les fonctionnaires des divers ministères pour les soumettre à nos questions, mais maintenant nous l'avons. Est-ce que nous devons aller plus loin? Nous ne créons pas de précédent, en acceptant des témoins de l'extérieur; Comme l'a dit M. Clermont, nous avons toujours reçu des témoins de l'extérieur qui sont venus à notre demande, ou quand certains ont exprimé le désir de venir.

Je pense que c'est à nous de décider si nous devons accepter ceux qui demandent à apparaître devant nous ou les refuser, et non si nous avons le droit ou pas d'appeler des témoins, parce que nous avons de droit, c'est clair. C'est un règlement qui existe et nous ne pouvons le changer. Naturellement, je serais enclin à croire qu'appeler des témoins pourrait ajouter à l'intérêt de l'étude d'un bill en particulier. Nous pourrions en faire l'expérience, et, si l'expérience n'est pas satisfaisante, une autre fois refuser certains témoignages surtout originant de l'extérieur. Seulement, j'accepterais la proposition dans ce cas-ci. Je réserve ma décision pour une autre circonstance: si je ne suis pas satisfait de cette expérience la prochaine fois je m'y opposerai catégoriquement.

Une voix: Est-ce à mon tour, monsieur le président?

• 1040

The Chairman: I will hear Mr. Lambert because I had him on the list, and then the question has been called.

M. Lambert (Bellechasse): Lors de la première séance régie par les nouveaux règlements M. le Président avait demandé la permission, pour lui et la comité directeur, de convoquer des témoins et une autre fois, même s'il n'y avait pas quorum. Cette mesure aurait pu faciliter le travail du Comité. Le projet de loi à l'étude est excessivement sérieux, et il n'est pas seulement à l'avantage des producteurs, mais également à l'avantage des consommateurs. Je ne voudrais pas donner l'impression au public que nous partons en guerre contre les fabricants de produits pesticides, insecticides ou autres.

[Interpretation]

Mr. Lessard (Lac-Saint-Jean): Mr. Chairman, I understand that this is a difficult situation, particularly as the experience is a new one as Mr. Gauthier pointed out. Everyone, at least, agrees that according to the new Standing Orders bills to be considered on Second Reading be sent to Committee. It is an improvement that was introduced so that bills would get more thorough consideration. Before that we did not have the advantage in the house of having the officials from the various Departments to subject them to our questioning. We do now have this advantage. Should we go further? I do not think there is a precedent being created by accepting outside witnesses. As Mr. Clermont has said, we have always had witnesses from the outside who came when we asked them, or when some also expressed the wish to come.

I think it is up to us to decide whether we are to accept those who are asking to appear before us or refuse them. It is not a question of deciding whether we have the right or not to call witnesses. I think we do have the right to call witnesses. This is clear. We are entitled to do so. The Standing Orders are there, and we cannot change them. Personally I would be inclined to think that calling witnesses might add interest in the consideration of a particular bill. I think we could try it out. If the experiment is not successful, at another time we could refuse certain testimony, particularly from the outside. However, I would be inclined to accept the proposal in this particular case. I reserve my decision for another circumstance: if I am not satisfied with the experiment at this time, then next time I shall be categorically opposed to it.

An hon. Member: Is it my turn, Mr. Chairman?

Le président: Oui, monsieur Lambert, je l'avais sur la liste et ensuite on a demandé le vote.

Mr. Lambert (Bellechasse): At the first sitting under the new Standing Orders the Chairman had asked for permission, for himself and the Steering Committee, to be able to summon witnesses, and to repeat this on another occasion, even if there was no quorum. This step could have facilitated the Committee's work. The bill which is before us is an extremely serious one, and it is not only to the advantage of producers, but also to the advantage of consumers. I would not want to give the public the impression that we are waging war against the manufacturers of pesticides, insecticides and so on.

[Texte]

A mon point de vue, si nous voulons aller véritablement au fond des choses, pour avoir une législation qui soit équitable pour tout le monde, fabricants, consommateurs ou producteurs, nous devons prendre toutes les dispositions nécessaires que nos fonctionnaires, ceux qui seront chargés d'appliquer la loi, soient en mesure de faire un travail efficace et sans hésitation.

Je ne doute pas du tout de la compétence de nos fonctionnaires, mais toute loi est contestable. La preuve, c'est que deux avocats vont lire la même loi et l'interpréter de façon différente. Et pour trancher la question, on fait appel à une troisième personne: on appelle ça un juge, qui lui a toute l'autorité voulue, à tort ou à raison, il tranche la question en vertu de son autorité.

Dans le cas présent, mon point de vue est que si les fabricants ont présenté une demande pour venir témoigner devant le Comité, nous pourrions limiter nos travaux afin de les entendre. Ceci nous permettra de faire à la Chambre, un rapport intelligent, un rapport dans lequel nous pourrions écrire: «Le Comité a fait son possible pour aller véritablement au fond de tous les problèmes, sans travailler ni contre les fabricants, ni contre les consommateurs, ni contre les producteurs, mais il a travaillé pour trouver une solution équitable pour tout le monde». C'est mon point de vue.

The Chairman: Gentlemen, I do not wish to limit discussion, but we have other members who wish to ask questions. I think we have had quite a good discussion. The question has been called.

Mr. Gleave: As the mover of the motion I have been attempting to get your attention. I think I should be able to say a few words.

The Chairman: I recognize Mr. Gleave, Mr. Roy and then Mr. LaSalle.

Mr. Gleave: My point of view is that we are proposing to legislate on the basis that we are going to affect the rights and privileges of a great many individuals and also of some commercial concerns. I think because we are doing this that we should be very careful to ensure that those individuals or concerns should be able to bring their opinions before this Committee, especially when it is going to affect their welfare and even their means of livelihood.

The Chairman: Thank you, Mr. Gleave, Mr. Roy?

[Interprétation]

In my opinion, we really want to get to the bottom of things and have a bill which is going to be fair to everyone, whether they be manufacturers, consumers or producers. We must take every available step so that our officials, those who have to apply the Act may be able to do effective work without hesitation.

I have no doubt about the competence of our officials, but any law is debatable. The proof is that two lawyers will read the same Act and interpret it in two different ways. And to decide on the matter you have to appeal to a third party and the third party is called a judge and has all the authority, and he decides on the matter, right or wrong, by virtue of his authority.

So I think that in the case now before us, my opinion, at least, is that if the manufacturers have requested to be heard by the Committee, we might perhaps limit our work to give them a hearing. This will enable us to have an intelligent report for the House, in which we could say that the Committee did its best to get to the bottom of all problems without working either against producers, manufacturers or consumers, but tried to find a fair solution for everyone. This is my opinion.

Le président: Messieurs, je ne voudrais pas limiter la discussion, mais il y a d'autres députés qui veulent poser des questions. Je crois que la discussion a été utile. On a tout de même demandé le vote.

M. Gleave: A titre de proposeur de la motion, j'ai tenté d'obtenir votre attention. Je crois que je devrais avoir la permission de dire quelques mots.

Le président: Je donne la parole à M. Gleave, ensuite à M. Roy et ensuite à M. Lessard.

M. Gleave: Mon opinion, monsieur le président, c'est que nous nous proposons de légiférer sur la base que nous allons affecter les droits et les privilèges d'un très grand nombre de personnes, et aussi de certaines sociétés ou compagnies commerciales. Je crois donc qu'étant donné que nous le faisons, nous devrions faire bien attention que les personnes en cause ou les sociétés ou les compagnies en cause soient en mesure de présenter devant le Comité leurs opinions, tout particulièrement lorsque cela affecte leur bien-être et même leur survie économique.

Le président: Merci, monsieur Gleave. Monsieur Roy?

[Text]

M. Roy (Laval): Merci, monsieur le président. Juste un mot avant la mise aux voix. J'ai écouté, de part et d'autre, le pour et contre de cette proposition et, comme mes collègues l'on mentionné, je pense bien que le but de ce Comité est d'être le plus efficace possible, afin de mieux servir notre agriculture. Personnellement, je pense que le but du Comité est celui-ci: que nous acceptions d'accueillir des représentants et ainsi de suite.

A ce moment-là, je pense, cependant, qu'il faudrait peut-être faire une distinction, toutes les compagnies sont ordinairement membres d'associations. Ainsi, lorsque nous discutons de la Loi sur les aliments du bétail, je serais d'avis que nous convoquions des représentants d'une association telle que la Canadian Feed Manufacturers et dans le cas de la Loi sur les engrais chimiques, la Canadian Fertilizers' Association. Chacune des provinces est représentée au sein de l'Association; par exemple, l'Ontario Plant Food Council, dans la province de Québec, il y a l'Association des engrais chimiques du Québec Inc; dans l'horticulture, la Fédération canadienne de l'horticulture et l'Association des jardiniers-maraîchers.

Pour ce qui est de la représentation de la classe agricole, nous pourrions nous entendre avec des associations soit syndicales ou des coopératives. Mais je ne verrais pas d'un bon œil, par exemple, et je m'y opposerais toujours, que nous recevions une compagnie plutôt qu'une autre.

Tout comme moi, vous comprendrez que si, à tel jour donné, nous recevons une compagnie, pourquoi ne le ferions-nous pas le lendemain pour une autre? En agissant ainsi, nous prolongerions les travaux du Comité indéfiniment et nous n'atteindrions pas le but que nous nous sommes fixé, à savoir de rendre le Comité le plus efficace possible.

• 1045

Alors, c'est peut-être un sous-amendement que je ferais à la proposition, autrement, je voterai contre la motion s'il n'est pas mentionné que ce sera des associations et non pas des compagnies privées qui seront convoquées à ce Comité. Je pense que celles-ci peuvent être très bien représentées, faire du lobbying, mais pas à ce Comité.

The Chairman: Thank you, Mr. Roy. I should point out that the request before the Committee is from an association of agricultural chemicals, so we are quite within your interpretation.

I will now recognize Mr. La Salle.

[Interpretation]

Mr. Roy (Laval): Thank you, Mr. Chairman. Just one word before the vote. I listened to all sides of the argument with regard to this proposal and as was mentioned by my colleagues I think that the object of the Committee is to be as effective as possible so as to render better service to our agriculture. Personally, I think that the object of the Committee is to accept representatives, and so forth.

I think perhaps we might have to make some distinction here. Normally, all companies belong to an association. So I would be in favour of having before us when we discuss, for instance the Livestock Feed Assistance Act, representatives from the Canadian Association of Feed Manufacturers. When we are discussing chemical fertilizers, then we could have the Canadian Fertilizers' Association. Each of the provinces is represented in the Association: for instance, in Ontario, the Plant Food Council; in Quebec, there is the Quebec Chemical Fertilizers Association; in the field of horticulture, the Canadian Horticultural Council and the Market-gardeners Association.

With regard to the representation of farmers, perhaps we could reach an understanding with associations, either union based or cooperative.

But I would always be opposed to having one particular company rather than another. You will agree with me, I think, that if we hear a particular company on a given day, we could hear another company on the following day—why not? But by acting this way though, we would extend the work of the Committee indefinitely and this would prevent us from reaching the goal we have ourselves, namely to make this Committee as effective as possible.

Therefore, it is perhaps a sub-amendment I might make to the motion itself because otherwise I will have to vote against the motion if it is not mentioned that it would be associations and not private companies that would be summoned before the Committee. I think companies can be very well represented, do their own lobbying, but not here at the level of the Committee.

Le président: Merci, monsieur Roy. Je devrais peut-être signaler que la demande nous vient de la part d'une Association de fabricants de produits chimiques agricoles et, par conséquent, cela est conforme à votre interprétation. Je vais donner la parole à M. LaSalle.

[Texte]

M. La Salle: Deux mots, monsieur le président. Je pense que les propos de M. Roy sont assez clairs et très acceptables aussi.

Je voulais tout simplement dire que je crois que nous ferions une grave erreur de refuser, par exemple, d'entendre des hommes qui sont doués d'une grande expérience. Tout en reconnaissant la compétence à tous nos fonctionnaires, je pense que le gouvernement aurait à profit de pouvoir collaborer et entendre à l'occasion des hommes, des industriels qui, de par leur expérience, pourraient nous donner des conseils très avantageux. Et dans ce sens-là, ne serait-ce que pour les services qu'ils peuvent nous rendre, et Dieu sait s'ils le peuvent, parce que personnellement, je reconnais facilement qu'il y a des hommes d'affaires qui pourraient collaborer avec le gouvernement et rendre un service très considérable et à l'État et à la population en général. Et à partir de cette considération, je pense que nous n'avons pas le droit de fermer la porte à ces témoins, nous avons même de très bonnes raisons pour les inviter.

Le président: Merci, monsieur La Salle.

Gentlemen, the question is as follows: Moved by Mr. Gleave that the request of the Canadian Agricultural Chemicals Association to appear before this Committee be granted.

M. Roy (Laval): Voulez-vous répéter, s'il vous plaît?

The Chairman: It is moved by Mr. Gleave that the request of the Canadian Agricultural Chemicals Association to appear before the Committee be granted.

Motion agreed to.

Mr. Barrett: I just want to clarify one thing. Mr. Chairman, in order to avoid this sort of thing would it be reasonable and acceptable that the Steering Committee meet to specifically lay down some ground rules so that we will not have to go through this sort of thing again. There would then be no reason for us to have to accept every association or non-group. Rather, that we will request—in the knowledge that we all have—the people whom we want to have appear before us, or they can advise us by telegram before we actually sit down with the bill. It should be done ahead of time rather than precisely at this moment. This is my philosophy.

The Chairman: Right. By way of explanation I should say that this telegram arrived on my desk last evening at approximately 7.30. There was no opportunity to call the Steering Committee together before our meeting this morning and I thought that as it probably would have to come before the

[Interprétation]

Mr. La Salle: Just two words. I think that Mr. Roy's remarks were clear and quite acceptable.

I simply wanted to say that I think it would be quite an error on our part to refuse to hear men with a great deal of experience. While recognizing the qualifications of our officials I think the government would benefit through cooperating with and occasionally hearing men from industry who by their experience could give us very sound advice. In this sense if it were only for the services they could render us—Heaven knows that they can—because personally I recognize readily that there are businessmen who could co-operate with the government and render considerable service both to the government and to the public at large. And on the basis of this consideration I do not think that we are entitled to close any doors to these witnesses. On the contrary, we have every reason to invite them.

The Chairman: Thank you, Mr. La Salle.

La question est la suivante. Il est proposé par M. Gleave que la demande de l'Association des fabricants de produits chimiques agricoles, présentée au Comité, soit agréée.

Mr. Roy (Laval): Would you repeat it a little more slowly, Mr. Chairman?

Le président: Il est proposé par M. Gleave que la demande de l'Association canadienne des fabricants de produits chimiques agricoles de comparaître devant ce Comité soit agréée.

La proposition est adoptée.

M. Barrett: Je voudrais éclaircir un point, monsieur le président, afin de définir certaines choses. Est-ce que ce serait raisonnable que le comité directeur se réunisse et établisse des lignes directrices afin que cela ne se répète pas? Il n'y a pas de raison pour que nous devons accepter toutes les associations qui viennent. Mais le comité directeur pourrait nous le dire avant qu'on commence à étudier le bill; nous devrions savoir à l'avance à quoi nous attendre.

Le président: Je dois peut-être dire que le télégramme est arrivé sur mon bureau hier soir à 7 heures et demie environ. Je n'ai pas eu le temps de réunir le comité directeur avant notre réunion de ce matin et j'ai pensé que le Comité, dans son ensemble, devrait de toute façon en prendre connaissance, ce qui

[Text]

whole Committee anyway that it probably would not have shortened our discussion very much in any event.

• 1050

Mr. Barrett: What would have happened if you had been absent?

The Chairman: That is a highly improbable situation.

Mr. Roy (Laval): Monsieur le président, je m'excuse. Je n'étais pas ici au début de la séance, mais pourrais-je voir le contenu du télégramme? Je m'excuse si...

The Chairman: Yes. For the benefit of those who came in late, the telegram which was received last evening reads as follows:

MR. B. S. BEER, M.P., CHAIRMAN
STANDING COMMITTEE ON AGRICULTURE.

PARLIAMENT BLDGS. OTTAWA, ONT.
RE OUR TELEGRAM CONCERNING
OUR REQUEST TO APPEAR BEFORE
THE STANDING COMMITTEE IN RESPECT
TO BILL C-157, WE WOULD ADVISE
FOR YOUR FURTHER INFORMATION
THAT OUR CONCERN LIES WITH THE
LACK OF A RIGHT OF APPEAL UNDER
THE ACT SHOULD A REGISTRATION BE
REFUSED, AND WITH CLAUSE 5 SUB-
CLAUSE (D) AND (E) OF THE BILL AS
REGARDS THE REGULATIONS.

Gentlemen, may I ask a little guidance here? Certainly we will be in communication with the Secretary of the Canadian Agricultural Chemicals Association, inviting them to appear before this Committee. Would it be the wish of the Committee that the Association should prepare a written brief and present it to the Committee at the outset of their presentation, and that they would then be available for questioning? Would this not expedite the business of the Committee? Is it agreed?

Some hon. Members: Agreed.

The Chairman: Gentlemen, I am not too sure there is much to be gained by proceeding with a discussion of Bill C-157 until we have heard the witnesses.

Mr. Gleave: There are one or two questions hanging over from our last meeting, Mr. Chairman, to which I would like an answer. One is the information in two of the bills regarding the term "justice", and the question was asked whether this referred to justice of the peace. This information was going to be

[Interpretation]

n'aurait pas tellement réduit la durée de notre discussion.

M. Barrett: Que serait-il arrivé si vous aviez été absent?

Le président: La situation ne se reproduira plus.

Mr. Roy (Laval): Mr. Chairman, I apologize. I was not here at the beginning of the meeting, to could I read the telegram?

Le président: Oui, pour ceux qui n'étaient pas ici. Le télégramme qui a été reçu se lit ainsi: «Notre télégramme relatif à notre demande de comparaître devant le Comité permanent à l'égard du bill C-157. A titre de renseignement supplémentaire, nous nous inquiétons surtout de l'absence de droit d'appel dans la loi pour les cas où l'enregistrement est refusé et pour l'article 5, paragraphes d) et e) du bill à l'égard du règlement.»

Maintenant, messieurs, est-ce que je pourrais vous demander votre avis, vos conseils. Nous serons certainement en communication avec le secrétaire de l'Association canadienne des produits chimiques et agricoles pour les inviter à comparaître devant notre Comité. Est-ce que le Comité désire que l'Association prépare un mémoire écrit pour le présenter au Comité dès le début de sa comparution et, qu'ensuite, les témoins soient disponibles pour qu'on leur pose des questions? Est-ce que cela aiderait? D'accord?

Des voix: D'accord.

Le président: Messieurs, je ne suis pas trop certain que la discussion du bill C-157 progresse vraiment avant d'avoir entendu les témoins.

Mr. Gleave: J'avais posé une question à la dernière réunion, monsieur le président, j'aimerais bien avoir une réponse. Tout d'abord, je voulais un renseignement, les renseignements suivants: dans deux des bills, l'expression «justice», on se demandait s'il s'agissait de «juge de paix» ou non. Le renseignement

[Texte]

given to us. Perhaps we may have it now. It is justice of the peace?

An hon. Member: Yes.

The Chairman: Gentlemen, there seems to be some disposition to call Bill C-156, which is a short bill. The witnesses present are competent and capable to deal with it. Is it the wish of the Committee that we proceed with Bill C-156?

Mr. Howard (Okanagan Boundary): Mr. Chairman, a number of us have another committee meeting at 11 o'clock.

The Chairman: Gentlemen, I would direct your attention to Bill C-156. The long title is as follows: "An Act to amend the Animal Contagious Diseases Act." We will proceed on open questioning on Clause 2. Mr. Danforth.

Mr. Danforth: Mr. Chairman, before we begin our questioning on this, may we request that a general explanation be given, especially in regard to the reason it was felt that the bill should be amended, so that we may have some idea of when the last bill was before Parliament for consideration, and why it was felt that amendments were needed at this time, and some general information on the bill itself?

The Chairman: Thank you. I will call on Mr. Williams.

• 1055

Mr. Peters: Mr. Chairman, before Mr. Williams replies, would it be possible in this information to provide the Committee with some of the history of the payments, and the indications of what came to the Department of what the replacement value of the animals would be. In other words, the relationship between what we paid under the Animal Contagious Diseases Act and what the farmer believed his compensation should have been?

The Chairman: I understand that will be included in Mr. Williams' remarks. Mr. Williams?

Mr. Williams: Mr. Chairman, the proposed amendments to the Animal Contagious Diseases Act embody two major changes. One deals with the way in which compensation rates are set for animals ordered slaughtered. The second provides for an appeal by the owner against a compensation award under the Act.

For the past 43 years, the federal government has compensated owners of animals that

[Interprétation]

devrait être donné et nous pourrions peut-être l'avoir maintenant. S'agit-il d'un juge de paix?

Une voix: Oui.

Le président: Messieurs, il semble qu'on serait disposé à étudier le bill C-156 qui est très court. Les témoins sont ici; ils sont très capables d'en discuter. Est-ce que le Comité désire que nous abordions le bill C-156?

M. Howard (Okanagan-Boundary): Monsieur le président, plusieurs d'entre nous ont une autre séance de comité à 11 heures.

Le président: Messieurs, nous aborderons maintenant l'étude du bill C-156 dont le titre au long est le suivant: Loi modifiant la Loi sur les épizooties. Nous allons commencer par l'article 2.

M. Danforth: Avant de commencer à poser des questions à ce sujet, monsieur le président, est-ce que nous pourrions demander une explication générale, surtout à l'égard de la raison pour laquelle on a trouvé que le bill devrait être modifié, afin de savoir à quel moment la dernière modification a été présentée au Parlement et pourquoi l'on pense que c'est nécessaire de modifier la Loi encore une fois? Peut-être aussi une explication générale au sujet du bill.

Le président: Merci. Je passe la parole à M. Williams.

M. Peters: Serait-il possible aussi de dire au Comité un peu l'historique ainsi que tout ce que le ministère aurait pu apprendre en ce qui concerne la valeur de remplacement des animaux? En d'autres termes, quel serait le rapport entre ce que nous avons versé en rapport avec la Loi sur les épizooties et la compensation donnée aux cultivateurs?

Le président: Je crois comprendre que cela est inclus dans les remarques de M. Williams.

M. Williams: Monsieur le président, le bill modifiant la Loi sur les épizooties comporte deux changements: le premier est la façon d'établir la compensation ou l'indemnité pour les animaux détruits et, deuxièmement, on prévoit un appel pour le cultivateur en cause. Depuis deux ans, le gouvernement fédéral a compensé les cultivateurs pour les animaux détruits en vertu de la Loi sur les épizooties en raison de la maladie de Johnne, l'érucellose

[Text]

have been ordered destroyed under eradication programs for Jones' disease, Brucellosis and Tuberculosis.

Up until and including now, compensation rates have been prescribed in the Act. For the period 1925 to 1949, the compensation rates were a maximum of \$60 for grade cattle and \$150 for purebred cattle. The basis for this compensation was two-thirds of the value of the animal slaughtered.

In 1949, the compensation rates were revised to provide a maximum of \$40 for grade cattle and \$100 for purebred cattle. The full value was paid up to the maximum rate. Thus there was a change in maximum and a change in philosophy in estimating the amount within that maximum. In the latest revision, in 1958, rates were established at a maximum of \$70 for grades and \$140 for purebreds.

It should be noted that the owner's total return for an animal ordered slaughtered is the meat salvage value plus the compensation awarded by the government. Where the sale of the animal's carcass is unlawful, that is to say, where the animal is condemned and cannot be used for normal meat purposes, an additional amount equal to the value the carcass would have had if the sale were lawful is paid to the owner by the government. So it should be noted that the owner's returns under this compensation comes from two sources: the direct compensation paid, and the salvage value of the animal. If there is no salvage value of the animal—that is, no normal salvage value in terms of meat—the government pays an equivalent payment in addition to the original payment. So there are two payments made in all cases to owners of animals ordered slaughtered.

The proposed revision retains this provision, that is to say, the dual source, so that the farmer would either be able to recover the meat salvage value by selling the carcass, or where this is forbidden, by recovering the carcass value from the government.

The amendment provides that compensation rates would no longer be set by the Act. These maximum rates would be established by Governor in Council. This would allow a more flexible approach to compensation. Value of purebred livestock, and indeed of grade dairy cattle, for instance, can change markedly even within a year's time.

The second change being proposed is the amendment to provide for appeal against a compensation award. At the present time no such appeal is available.

[Interpretation]

et la tuberculose. Jusqu'à maintenant, les taux d'indemnité ont été prescrits dans la Loi. Pour la période de 1925 à 1949, l'indemnité maximum était de \$60 pour le bétail ordinaire et \$150 pour le bétail de race. L'on se fondait sur les deux tiers de la valeur des animaux détruits.

En 1949, les taux d'indemnité ont été révisés pour prévoir un maximum de \$40 pour le bétail ordinaire et \$100 pour le bétail de race. La pleine valeur était donnée jusqu'au maximum, jusqu'à concurrence du maximum. Donc, il y a eu un changement dans le maximum ainsi qu'un changement dans la façon d'estimer la valeur en dedans de ce maximum. La dernière révision qui s'est faite en 1958 établissait les taux au maximum de \$70 pour le bétail ordinaire et \$140 pour le bétail de race.

C'est à noter que le gain total du propriétaire pour l'animal détruit c'est la valeur de la viande, ainsi qu'une indemnité parce qu'il a été détruit. Lorsque la vente de la carcasse est illégale, c'est-à-dire que lorsque l'animal est condamné et ne peut servir à la consommation, d'ordinaire, une somme additionnelle égale à la valeur de la carcasse, égale plutôt à la valeur que la carcasse aurait eue si la vente avait été légale, est payée au propriétaire par le gouvernement. Par conséquent, ce que reçoit le propriétaire en vertu de cette indemnité vient de deux sources; tout d'abord, l'indemnité directe de la valeur de la viande de l'animal. S'il n'y a pas de façon normale, le gouvernement verse une somme équivalente, en plus du versement initial. Il y a donc deux versements dans chaque cas aux propriétaires dont les animaux doivent être abattus.

Les révisions proposées maintiennent cette disposition, c'est-à-dire la double source, de sorte que le cultivateur peut ou bien vendre la carcasse et récupérer la valeur ou, si c'est interdit, récupérer de la part du gouvernement la valeur de la carcasse.

Les modifications, les amendements prévoient que les indemnités ne seront plus prescrites par la Loi. Le maximum serait établi par le gouverneur en conseil, ce qui permettrait une attitude beaucoup plus souple à l'égard du versement des indemnités. La valeur du bétail et du troupeau laitier peut changer énormément même dans l'espace d'un an. Le deuxième changement proposé par ce bill, c'est qu'on prévoit un appel contre le montant de l'indemnité accordée. A l'heure actuelle, il n'y a pas de disposition prévoyant un appel.

[Texte]

The amended Act would permit the owner of an animal ordered slaughtered to appeal against the amount of the award, or to appeal where no compensation is awarded at all under the appeal provisions included in the Pesticide Residue Compensation Act. That is to say, this Act itself does not spell out the details of the appeal; it refers to the other Act that this Committee has dealt with.

• 1100

The one other point that I should note is that the appeal privileges will not delay the destruction of diseased animals. The animals will be ordered destroyed, and the appeal would take place after that. It is believed by the Department that this is essential in its disease control program. Thank you, Mr. Chairman.

The Chairman: Certainly, Mr. Williams. I have Mr. Moore, Wetaskiwin.

Mr. Moore (Wetaskiwin): Mr. Chairman, I feel that there has been a need for a change for a long time, and I am thinking of a specific case. I do not know how this Act will affect such a case, but I am thinking of a case where a man imports a herd sire, say, from a different country, and possibly pays \$10,000 for this animal. A \$10,000 price, of course, does not compare with the amount...

The Chairman: Your microphone, please. Would you repeat please?

Mr. Moore (Wetaskiwin): I am thinking of a specific case of a man importing herd sire for the sum, just to use a figure of \$10,000 and naturally any act that we have had in the past, and I presume this one, does not allow for that type of figure. The sire was, naturally, TB tested and so forth before coming into the country and he refused permission for a government man to retest this animal for the simple reason that if the animal had reacted to the test his compensation would have been in line with the figures that Mr. Williams has just given us.

Therefore, he said that he could not allow this animal to be tested, and I do not know whether the battle is still going on or not but at any rate he was winning the battle at that time. He refused to let the tester sent out to his farm test the animal and I am wondering whether this new Bill, which I am sorry I have not read yet, provides greater compensation for this type of case?

[Interprétation]

Cela permettrait au propriétaire des bovins abattus d'en appeler contre l'indemnité accordée ou lorsqu'il n'y en a pas, de retomber dans le cas des autres lois contre les produits antiparasitaires.

L'autre point que je devrais peut-être signaler, c'est que les dispositions, les privilèges d'appel ne retarderont pas la destruction des animaux condamnés. Le ministère estime que c'est essentiel pour contrôler justement les épizooties.

Le président: Merci, monsieur Williams. J'ai M. Moore (Wetaskiwin) maintenant.

M. Moore (Wetaskiwin): Monsieur le président, je pense à un cas particulier donné. Je ne sais pas dans quelle mesure cela a rapport avec notre cas, mais je pense à l'importation d'un animal reproducteur, au prix de \$10,000, par exemple.

Le président: Votre microphone, je vous prie. Pourriez-vous recommencer s'il vous plaît?

M. Moore (Wetaskiwin): Je pense au cas particulier d'un homme qui importe des taureaux pour la somme, disons, de 10,000 dollars; et, bien sûr, les lois que nous avons eues dans le passé, ou celle-ci, d'ailleurs, ne parlent pas d'un chiffre de ce genre. Le taureau avait, bien sûr, été soumis à un test antituberculeux avant d'être admis dans le pays, et la personne en question a refusé qu'un inspecteur du gouvernement fasse un deuxième test sur l'animal, pour la simple raison que si l'animal avait mal réagi à ce deuxième test, l'importateur aurait simplement reçu une indemnité de l'ordre de celles que vient de mentionner M. Williams.

Par conséquent, il a dit qu'il ne pouvait pas autoriser un test sur l'animal. Je ne sais pas où en est l'affaire, mais à ce moment-là il gagnait la partie. Il a refusé que l'inspecteur du gouvernement aille faire ce test sur l'animal. Alors, je me demande si le nouveau Bill, que malheureusement je n'ai pas encore lu, prévoit une plus grande indemnité pour un cas de ce genre.

[Text]

The Chairman: I have other questioners, but I will recognize Mr. Williams in answer to your question.

Mr. Williams: Mr. Chairman, the question that has been raised by Mr. Moore is a most difficult one in the view of the Department. To answer his question specifically, this Bill does not make any provision for that, nor does it prohibit it; all it does is transfer the power to set maximums from the Act itself to the Governor in Council. This in itself obviously will give greater flexibility and will permit the government to deal with special cases, but the problem of providing compensation under this Act for top quality, expensive pure-bred animals is a most difficult one. The difficulty stems from the problem of establishing what might be called values for this class of stock.

I think you gentlemen will all realize that top quality or high priced pure-bred stock is often bought at prices that may or may not bear too much resemblance to actual value. They are speculative purchases. They are purchases in which advertising plays a very large part.

The philosophy that the Department has entertained on this matter in the past is that commercial insurance is available to farmers for animals of this class and it is normal practice for people purchasing high quality, high priced animals to take out additional insurance through commercial channels against condemnation and other risks, including breaking legs and anything of that nature for which, of course, no compensation is available.

I think you gentlemen also appreciate that there are many, many diseases that animals are heir to that are not covered by federal compensation in any event.

In view of those difficulties I would not want to mislead the Committee into thinking it is our intention to recommend to the Governor in Council that the maximums will automatically include coverage for what might be called high priced pure-bred livestock falling in the category that Mr. Moore has described.

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Mr. Moore (Wetaskiwin): I quite agree.

The Chairman: Thank you, Mr. Moore. I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, since this Bill is an Act to amend the Animal Contagious Diseases Act and it deals with diseases that

[Interpretation]

Le président: Il y a d'autres personnes qui veulent poser des questions, mais je donne la parole à M. Williams pour qu'il vous réponde.

M. Williams: Monsieur le président, il est très difficile de répondre à la question de M. Moore, du point de vue du Ministère. Pour répondre précisément à la question, le bill ni ne prévoit ni n'interdit de chose de ce genre; il ne fait qu'attribuer au gouverneur en conseil le pouvoir de fixer des maximums. Cela même donnera, c'est évident, une plus grande souplesse, et permettra au gouvernement de résoudre les cas particuliers, mais le problème des indemnités à accorder en vertu de la présente Loi pour les animaux de race de qualité supérieure est très difficile à résoudre. La difficulté provient du fait qu'il est difficile d'établir ce que l'on pourrait appeler des valeurs pour cette catégorie de bétail.

Je pense que vous vous rendez tous compte, messieurs, que les animaux de race de qualité supérieure ou très prisés sont souvent achetés à un prix qui peut avoir ou ne pas avoir grand rapport avec leur valeur réelle. Ce sont des achats spéculatifs, dans lesquels la publicité joue un grand rôle.

Le ministère, à ce sujet, a toujours maladies qui ne sont pas couvertes par l'assurance-commerciales pouvaient assurer le bétail de ce genre pour les agriculteurs, et qu'il était normal que les éleveurs qui achetaient des animaux de qualité supérieure et très coûteux eussent une assurance privée supplémentaire pour se couvrir en cas de contamination de l'animal ou d'autres risques, comme pattes cassées, etc., pour lesquels, bien sûr, aucune indemnisation n'est prévue.

De plus, vous vous rendez certainement compte, messieurs, qu'il y a toutes sortes de maladies qui ne sont pas couvertes par l'assurance fédérale et qui malgré tout risquent de frapper le bétail.

Étant donné toutes ces difficultés, je ne voudrais pas donner à tort au Comité l'impression que nous entendons recommander au gouverneur en conseil que les maximums prévoient automatiquement une protection dans le cas du bétail de race et de prix élevé de la catégorie qu'a décrite M. Moore.

M. Moore (Wetaskiwin): Je suis tout à fait d'accord.

Le président: Merci, monsieur Moore. Monsieur Danforth?

M. Danforth: Monsieur le président, étant donné que le présent Bill vise à amender la Loi sur les épizooties, et qu'il traite de mala-

[Texte]

are of such a serious nature that the government intervenes and destroys livestock on a producer's farm or in his possession, and in the introduction we had the mention of cattle and, I note in the bill, horses, may I ask whether or not other forms of livestock are included in this Bill?

I am thinking of hog cholera; the diseases that occasionally cause the destruction of herds of sheep; infestations of rabies where dairy cattle may be affected. I am just wondering whether those provisions are under this Bill. If not, why are they not under this Bill which deals specifically with this particular problem?

The Chairman: Mr. Williams?

Mr. Williams: The situation here is that we have two types of programs under the Animals Contagious Diseases Act. Where we go in and we do not have tests or the nature of the disease is such that the entire herd is destroyed—namely, the diseased animals plus all contacts whether or not they do have the disease; the diseases you mentioned, Mr. Danforth, are symptomatic of that area, hog cholera, foot and mouth disease—the Act provides that the full market value be paid.

Scrapie, I believe, is the disease in question; which is the main disease under the Act. Compensation is awarded on a completely different basis in that the action here is to order destroyed the entire herd whether or not they have the disease. They may simply have been in contact. The other diseases which fall into a somewhat different nature, brucellosis, tuberculosis and Johnes' disease, are not diseases that spread with the same epidemic rates as do the former diseases that fell in the former classes.

Here disease control is for a dual purpose. One is to assist the farmer in identifying the disease and removing diseased animals from his herd in order that the average productive level of his herd may be raised, and that he will not have an attenuating type disease within his herd that is causing what in some cases almost could be considered hidden losses.

In addition to that, it has the secondary purpose of providing against the spread of this disease to other herds. We have two philosophies here, where you are taking action against a disease of epidemic proportions, as it could become epidemic, and you order everything destroyed, in which case the Act provides for full market value.

[Interprétation]

dies qui sont si graves que le gouvernement peut intervenir et détruire le bétail d'un éleveur, et étant donné que dans l'introduction, on parlait de bétail, et que je remarque que dans le Bill on mentionne les chevaux, est-ce que je pourrais savoir si, oui ou non, il y a d'autres catégories de bétail prévues dans ce Bill?

Je pense, par exemple, au choléra des porcs, aux maladies qui parfois entraînent la destruction de troupeaux de moutons, aux épidémies de rage qui peuvent affecter les vaches laitières. Est-ce que tout cela est prévu dans le Bill? Sinon, pourquoi ne pas l'avoir inclus dans ce Bill, qui traite précisément de ce problème particulier?

Le président: Monsieur Williams?

M. Williams: La situation c'est que nous avons deux types de programme qui relèvent de la Loi sur les épizooties. Lorsque nous intervenons et qu'il n'y a pas de tests, ou que la maladie est telle que le troupeau entier est détruit—c'est-à-dire les animaux atteints et tous ceux qui ont eu des contacts avec eux, qu'ils soient ou non affectés, en particulier dans le cas de ces maladies que vous avez mentionnées, M. Danforth, comme le choléra des porcs, la fièvre aphteuse, et ainsi de suite—la Loi prévoit que l'on rembourse la totalité de la valeur marchande.

La maladie en question est, je le pense, la tremblante, qui est l'infection principale prévue par la Loi. L'indemnisation se fait selon un principe complètement différent, puisqu'il s'agit ici d'ordonner que l'on abat le troupeau entier, que les animaux aient ou non la maladie, et même s'ils ont simplement été en contact avec des animaux atteints. Les autres maladies, qui sont d'une nature un peu différente, comme la brucellose, la tuberculose et la maladie de Johnes, ne s'étendent pas avec la rapidité d'une épidémie comme le font les maladies plus graves.

Dans ces cas-là, l'intervention a un double objet. D'une part, elle a pour but d'aider l'agriculteur à identifier la maladie et à retirer les animaux atteints de son troupeau pour améliorer la qualité moyenne du troupeau et éviter qu'il y ait dans son troupeau des maladies affaiblissantes qui causent ce qu'on pourrait parfois même appeler des pertes cachées.

D'autre part, l'intervention a pour but d'empêcher la dissémination de la maladie à d'autres troupeaux. Par conséquent, il y a deux idées de base: d'une part, on prend des mesures contre la maladie qui a des proportions épidémiques, puisqu'elle pourrait tourner en épidémie, et l'on ordonne que tout le troupeau soit détruit, auquel cas la Loi pré-

[Text]

With the other diseases we are dealing with at present, the second situation that I described prevails.

Mr. Danforth: I quite understand the explanation given, Mr. Chairman, but I just wonder if Mr. Williams could give just a little more detail. Under one, we get the full market value. I can understand and appreciate that, but under this bill and in his explanation I think Mr. Williams said that by an act of the Governor in Council a rate would be established which could be paid, plus the market value of any of the carcass. Would it not be the object of this Bill that we have before us, as was outlined by Mr. Williams in the other instance, of paying full market value?

Mr. Williams: That is correct, Mr. Chairman. The intent of the total two payments is to provide full market value within the limitations that I mentioned in respect of top quality pure-bred livestock.

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Mr. Danforth: Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Danforth. Mr. Peters?

Mr. Peters: I am interested, really, in two phases. First, I would like to know what John's disease is.

Mr. Williams: I am afraid that for a technical description you are going to have to wait until I have some supporters here, but it is a debilitating disease of a dysentery type that is identifiable by testing the animals. The animals waste under this disease, become unthrifty and eventually a fairly large percentage of them die.

Mr. Peters: Does it have a common name?

Mr. Williams: That is its common name, John's disease. It is not found in this country to any particular extent. All animals coming into this country are tested for it and we maintain prohibitions against it and things of that nature.

Mr. Peters: I am interested really in two things. One is why we are not interested in things like foot and mouth disease where the herd has to be slaughtered for control and where, in many cases, a farm has to be put under quarantine for a period of time. Even

[Interpretation]

voit une indemnisation pour la totalité de la valeur marchande.

D'autre part, dans le cas des autres maladies que nous étudions actuellement, la seconde situation que je vous ai décrite s'applique.

M. Danforth: Je comprends très bien l'explication qui m'a été donnée, monsieur le président, mais je me demande simplement si M. Williams pourrait nous donner un peu plus de détails. Dans le premier cas, on obtient la totalité de la valeur marchande. Je comprends très bien cela, mais, en vertu du Bill et, je crois, d'après les explications de M. Williams, il semble que, par un décret du gouverneur en conseil, on fixerait un taux d'indemnisation qui serait payé en plus de la valeur marchande de chaque carcasse. Est-ce que le présent Bill n'aurait pas pour objet, comme cela a été indiqué par M. Williams dans l'autre cas, le paiement de la valeur marchande totale?

M. Williams: Oui, c'est exact, monsieur le président. L'objet, c'est que le total des deux paiements fournisse la totalité de la valeur marchande, dans le cadre des limites que j'ai indiquées en ce qui concerne le bétail de race et de qualité supérieure.

M. Danforth: Merci, monsieur le président.

Le président: Merci, monsieur Danforth. Monsieur Peters?

M. Peters: Il y a deux aspects de la chose qui m'intéressent. Tout d'abord, j'aimerais savoir ce qu'est la maladie de John's.

M. Williams: Je pense que pour avoir une description technique, il vous faudra attendre d'avoir quelques experts ici; mais c'est une maladie affaiblissante du type dysenterie qui peut être détectée par des tests faits sur les animaux. Les animaux atteints de cette maladie souffrent de diarrhée, et finalement un grand pourcentage d'entre eux meurent.

M. Peters: Est-ce que cette maladie a un nom commun?

M. Williams: La maladie de John's est son nom commun. On ne la trouve pas beaucoup au Canada. Tout le bétail importé est soumis à des tests, et les animaux atteints sont refusés.

M. Peters: Ce qui m'intéresse, en fait, ce sont deux choses. D'une part, pourquoi ne nous soucions-nous pas d'une maladie comme la fièvre aphteuse, où le bétail doit être abattu pour éviter la contamination et où, dans bien des cas, l'exploitation agricole doit

[Texte]

in cases of brucellosis there sometimes is a quarantine where the cost goes beyond the actual slaughtering of the cattle, why are we not interested in providing in those cases where this is a control project—and this is true with rabies and foot and mouth particularly, and also applies to hens in certain diseases—where it is a control, that we are not interested in paying the replacement value, rather than the market value.

Now, the average Holstein price in Ontario for a mature pure-bred cow would run \$700 plus, depending on the market, and I will agree with Mr. Williams that there is a great deal of difficulty in establishing what that average price would be. I agree that when you get into the realm of a \$10,000 bull, to increase the price of that bull, neighbours may sell it back and forth, and the price is not \$10,000 but \$30,000 and this is a very common practice in Ontario for developing an export price.

However, it seems to me that where the average is considerably higher and where you have to slaughter for control, as distinct from slaughtering for brucellosis because brucellosis comes in a different category, that we should be paying the replacement value for that herd—no, we do not. We in many cases only pay about 10 per cent of the cost of it, or 20 per cent of the cost of it. I would think this is spreading into Charlais and other cattle that are in that kind of a category.

The second point that I am interested in is—and I know the complications—but I wonder why we do not apply the terms of this bill, which are very stringent terms, to the rabies control program, and put rabies under it. I am aware of the wild-life and all the other problems, but we do not seem to be getting anywhere with rabies control. Under the Animal Contagious Diseases Act that we have had for 40 or 50 years, we have got rid of brucellosis, most areas in Canada are brucellosis free, we have developed an enviable record in the world for selling or moving livestock back and forth on this continent, and we are free of most of these diseases except rabies.

I know rabies has a cyclic action, but we do not seem to be getting any closer to putting an end to this. A few years ago, in my area, it was an epidemic it has been epidemic in parts of Quebec, it has been at epidemic level in other areas, and it seems to me that if it was put under the same terms as this the federal government would be able to say to Lands and Forests in Ontario that they would have to do some control in their field, that a

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être mise en quarantaine pour un certain temps. Même dans le cas de brucellose il y a parfois une période de quarantaine à subir. Et pourquoi ne cherchons-nous pas à prévoir ces cas, puisqu'il s'agit d'un projet de surveillance, de contrôle, dans le cas, notamment, de la fièvre aphteuse? Cela s'applique également aux poulets et aux autres maladies. Pourquoi ne cherchons-nous pas à payer la valeur de remplacement plutôt que la valeur marchande?

Le prix moyen des Holstein, en Ontario, pour une vache pur sang, serait, disons, à partir de \$700. Selon le marché, je reconnais avec M. Williams, évidemment, qu'il y a beaucoup de difficultés à fixer le prix moyen. Je reconnais que quand on tombe dans le domaine des taureaux à \$10,000 pour augmenter le prix du taureau, il y a un échange d'un voisin à l'autre, ce qui fait monter le prix jusqu'à parfois \$30,000 et cela permet de monter la valeur marchande du bétail.

Mais, il me semble que, lorsque la moyenne est assez supérieure à ce chiffre et qu'il faut faire un abattage pour ces vérifications, je ne parle pas de la brucellose parce qu'elle entre dans une autre catégorie, disons que pour ces contrôles, il faudrait verser le prix de remplacement de ce bétail. Alors, ce n'est pas ce que l'on fait parce que dans certains cas, on paie même simplement 10 p. 100 du coût de remplacement, ou 20 p. 100 même du coût de remplacement. Et, je pense que cela s'étend également aux Charolais et à d'autres types de bétail.

Deuxièmement, je me demande, je sais que cela est compliqué pourquoi nous n'appliquons pas les modalités de cette loi qui sont très rigides? Pourquoi cela ne s'applique-t-il pas au programme de lutte contre la rage? Je sais que c'est là quelque chose de très compliqué, mais il semble que l'on ne va nulle part avec ce programme de lutte contre la rage. Les programmes des 40 ou 50 dernières années nous ont permis de nous débarrasser de la brucellose. Nous avons établi un record, en quelque sorte, mondial, de ventes ou de transferts de bétail dans le continent tout entier. Et, nous n'avons plus ces maladies, sauf la rage.

Je sais que la rage a une action cyclique mais, malgré tout, nous n'avons rien fait qui nous permette d'espérer voir la fin de cette maladie qui a eu des proportions épidémiques, il y a quelques années, je crois, au Québec notamment. Il me semble que si cela était inclus dans ce projet de loi, le gouvernement fédéral pourrait alors dire au Service des terres et forêts de l'Ontario: «eh bien, il vous faut faire quelque chose dans ce

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number of other people would be involved, and the federal government would then be able to put in a real control program and maybe get around to wiping out rabies.

• 1115

The Chairman: Mr. Williams?

Mr. Williams: Mr. Chairman, there were two questions dealt with: one was the question as to why we do not pay replacement value instead of market value. I think that I would have to say in reply to that that it would be our feeling that basically market value has to be replacement value. I know that there is a great deal of argument, and we are continuously in argument with people who have had their animals ordered destroyed, as to whether or not they were able to replace them. We also have to recognize, though, that under this program we are performing a service to agriculture as a whole, but we also are performing a specific service to that farmer, and it is going to be extremely difficult for us to allocate how much of the service is to that farmer and how much is to agriculture as a whole.

However, I do think that has to be given some consideration when one thinks of this because, as you well know, there are many other diseases that are not notifiable diseases where the farmer receives no compensation whatsoever. His animals die. They are not of necessity ordered destroyed.

Mr. Peters: A supplementary question to that. Is it not true, though, that there are categories of this problem? I am not so insistent that replacement value be applied to Bangs disease, brucellosis, because this is not a total thing and we do not quarantine, as a rule. We quarantine for movement, but we do not quarantine in the sense of total quarantine. But in a case of a total quarantine where you are talking about scabies or you are talking about foot and mouth, this is really a national problem; it is not a farm problem. The food and drug people move in and the Department of Agriculture moves in and they take over that farm and they have control of it not only for that period but perhaps for a year or two. Does it not seem that there is a difference between where we are talking about national eradication of a problem against what is a contagious disease?

Mr. Williams: Yes, Mr. Chairman, there is a very distinct difference and we treat the diseases that fall into these different categories differently. On the diseases to which you

[Interpretation]

domaine et cela impliquerait un certain nombre d'autres personnes; alors le gouvernement fédéral pourrait vraiment mettre sur pied un programme de contrôle qui permettrait d'éliminer complètement la rage.

Le président: Monsieur Williams.

M. Williams: Monsieur le président, il y a eu deux questions. D'une part pourquoi est-ce qu'on ne verse pas le prix de remplacement plutôt que le prix marchand; eh bien, je pense que c'est que nous pensons que la valeur marchande doit être normalement la valeur de remplacement. Bien sûr, on peut en discuter. On discute toujours de cette question avec les personnes qui ont vu leur bétail abattu. Il y a toujours des discussions, parce qu'ils prétendent que cela coûte plus cher de le remplacer. Mais, il ne faut pas oublier non plus que, dans ce programme, nous rendons service à l'agriculture dans son ensemble, mais également nous rendons un service particulier à l'agriculteur en question, à l'éleveur en question. Et, je pense qu'il va nous être très difficile de décider quelle est la part de service que nous rendons à l'agriculture et quelle est celle que nous rendons à cet éleveur particulier.

Mais, malgré tout, il ne faut pas oublier qu'il y a un certain nombre de maladies qui ne peuvent pas être remarquées et pour lesquelles l'éleveur ne reçoit aucune indemnité. Et, si ses animaux meurent, il ne peut pas être indemnisé.

M. Peters: Mais, n'est-il pas vrai, néanmoins, qu'il y a des catégories, des degrés de difficultés dans ce problème? Personnellement, je ne suis pas catégorique, je ne veux pas dire qu'il faudrait obligatoirement appliquer la valeur de remplacement à certaines maladies. La quarantaine ne s'applique pas en totalité, simplement au transfert. Mais, lorsqu'il y a une quarantaine pour la fièvre aphteuse ou pour une ou deux autres maladies, le ministère de l'Agriculture intervient alors et puis les services d'hygiène interviennent, s'en occupent. Non pas seulement pour cette période donnée, mais cela peut se prolonger pendant encore une année ou deux et il me semble, à ce moment-là, qu'il y a là quelque chose de différent. On parle d'une part de la suppression complète d'un problème, d'une maladie contagieuse.

M. Williams: Il y a une différence dans le traitement de ces maladies. Pour la maladie que vous citez, le bill exige qu'on verse la valeur marchande. La méthode d'évaluation

[Texte]

referred, the bill orders that market value be paid. If we eradicate the whole herd, we pay market value. The method of valuation that we follow is done by a tripartite group; a three-man group is set up to commercially evaluate every animal ordered destroyed under those particular diseases: one man from the Health of Animals, one from the Livestock Branch, and one a nominee of the breeder or the breed association depending upon the problem. So it is market value, and if market value is correctly determined, presumably that is replacement value. This is the procedure that we do follow.

In respect of rabies which is the second question that was raised, the problem here is at the present time it is not technically possible to undertake an eradication program for rabies for two reasons, one of which you mentioned, sir, and that was that the main reservoir of rabies is in the wild-life of this country, but the second one is associated with the fact that there is no test for rabies until the disease is in its terminal stages. In other words, for these other diseases such as Johne's, there is brucellosis, tuberculosis, we do have blood tests or other tests where we can determine that the animal either is going to come down with the disease or is a carrier of the disease. We can determine this with a great deal of accuracy.

Such tests are not available for rabies, for some other diseases such as Anthrax, in which case we do jointly with provinces pay compensation for animals that actually succumb to the disease. However, we have no method under which we can order animals destroyed because by the time we are able to recognize the disease they probably are dead or are so close to being dead that it would be futile to order them destroyed.

Mr. Peters: Are we doing any work on this? I realize that you examine the brain tissue of an animal that has died from rabies and are able to ascertain through certain examinations that this is actually the cause of death, but are we doing any work on this?

Mr. Williams: I am afraid, Mr. Chairman, that I cannot answer that question specifically. I will answer it later as to whether we are doing specifically work on the serological or any other method of determination of rabies prior to its terminal stages. We do have a research group that is working continuously on the problem of the improvement of serological and other techniques for the early

[Interprétation]

suivie est une évaluation faite par un groupe tripartite qui évalue, du point de vue commercial, chaque animal qui doit être abattu pour ces maladies données. Ce groupe est composé d'un représentant de la Direction de l'hygiène vétérinaire, d'un représentant de la Division des bestiaux et d'un représentant de l'Association des éleveurs.

Maintenant, en ce qui concerne la rage qui est le deuxième problème que vous avez soulevé, actuellement, il paraît qu'il n'est pas possible, techniquement, d'entreprendre un programme d'éradication de la rage pour deux raisons: d'abord celle que vous avez citée vous-même, c'est-à-dire que c'est parmi la faune que l'on trouve la source principale de rage. Mais, le deuxième élément est qu'il n'est pas possible de faire des prélèvements, des vérifications de la rage avant que la rage n'ait atteint son stade final, contrairement à la maladie de Johne, à la brucellose, à la tuberculose et à d'autres maladies où on peut déterminer que l'animal va attraper la maladie, qu'il est pathogène, porteur de la maladie.

Mais, ce n'est pas la même chose pour la rage. Dans certains cas, nous pouvons agir avec les provinces et aider conjointement l'agriculteur. Mais, on ne peut absolument rien faire pour la rage parce que, au moment où on connaît, où on identifie la rage, l'animal est soit mourant, soit mort, et il est inutile, à ce moment-là, de faire quoi que ce soit.

M. Peters: Est-ce qu'on étudie la question de près? Est-ce qu'on fait des recherches à ce sujet? Je sais que vous avez fait des prélèvements sur des tissus cérébraux d'animaux qui ont été atteints par la rage et que vous avez pu, par certains examens, déterminer que c'était là véritablement la cause de la mort de l'animal. Mais, est-ce que l'on fait véritablement quelque chose dans ce genre?

M. Williams: Eh bien, je m'excuse, monsieur le président, je ne pourrais pas répondre d'une façon précise à cette question. Je le dirai plus tard si nous faisons effectivement des travaux de recherches d'ordre biologique, ou autres, pour déterminer la rage avant qu'elle n'atteigne son stade final. Nous avons un groupe de recherche qui travaille en permanence sur la question de l'amélioration des

[Text]

detection of disease, but to answer specifically in respect to rabies, I am afraid that I cannot at the present moment, although work is going on in the world on this subject.

Mr. Peters: What is the percentage of rabies as a disease against some of the others—brucellosis for instance? The question should be, is this a major problem in the agricultural field?

Mr. Williams: In terms of total deaths it is a very minor problem. The problem is however, related to its transmissibility to humans rather than it being an agricultural problem. I do not have with me at this instant the figures as to the amount of compensation we pay on rabies, but it is very minor in comparison with brucellosis and tuberculosis.

The Chairman: Mr. McKinley?

Mr. McKinley: Mr. Chairman, I was wondering there is a payment made for Newcastle disease in poultry, I believe.

Mr. Williams: No, there is no payment made for Newcastle disease at the present time.

Mr. McKinley: When did that stop?

Mr. Williams: You mean the year?

Mr. McKinley: Yes.

Mr. Williams: I am afraid I could not quote that at the moment but I could have that information for you in a few minutes, Mr. McKinley.

Mr. McKinley: Are there any other diseases of poultry for which payment is made?

Mr. Williams: No, we have no continuing programs similar to this. There could be a program under the other section of our Act where full market value would be paid. But this is not a continuing program such as the programs in relation to Johne's disease, brucellosis and tuberculosis.

Mr. McKinley: Is there any consideration given—this is a special request from a constituent—to compensation being paid for leukosis?

Mr. Williams: At the present time, no.

[Interpretation]

techniques sérologiques et autres techniques de détection de la maladie. Mais, pour vous répondre spécifiquement sur le problème de la rage, je ne peux rien vous dire de précis, sinon que dans le monde entier on fait des recherches.

M. Peters: Est-ce que je pourrais poser une autre question? Quel est le pourcentage de cas de rages, par rapport aux cas de brucellose, disons? Est-ce que c'est là un problème grave en agriculture?

M. Williams: Eh bien, disons que du point de vue de la mort totale, c'est un problème mineur. Le problème, néanmoins, porte sur le fait que c'est une maladie qui peut être transmise aux humains plutôt que sur le fait que c'est une maladie grave pour l'agriculture. Je ne peux pas vous donner de chiffres sur les indemnités que nous avons versées dans le cadre de la rage. Mais disons que c'est très faible par rapport à la brucellose et à la tuberculose.

Le président: Monsieur McKinley?

M. McKinley: Monsieur le président, je me demandais s'il y a des versements accordés pour la maladie de Newcastle.

M. Williams: Non, aucune indemnité n'est versé pour la maladie de Newcastle.

M. McKinley: Depuis quand ont-elles cessé?

M. Williams: Vous voulez dire quelle année?

M. McKinley: Oui.

M. Williams: Je m'excuse de ne pas pouvoir vous donner l'année. Je pourrais l'obtenir pour vous dans quelques instants.

M. McKinley: Y a-t-il d'autres maladies des volailles pour lesquelles on verse des indemnités?

M. Williams: Non, nous n'avons aucun programme permanent qui soit semblable à celui-ci. Il peut y avoir un programme dans le cadre d'autres articles de la Loi, en vertu duquel on rembourserait la valeur marchande totale mais ce n'est pas un programme du même type que ceux qui combattent la maladie de Johne, la tuberculose ou la brucellose.

M. McKinley: Est-ce qu'on envisage, c'est là une demande d'un de mes électeurs, d'accorder des indemnités pour la leucose?

M. Williams: Actuellement, non.

[Texte]

Mr. McKinley: Thank you.**The Chairman:** Thank you, Mr. McKinley. I recognize Mr. Moore (Wetaskiwin).**Mr. Moore (Wetaskiwin):** For clarification, Mr. Chairman, when you speak of the market value of dairy cattle, this does not depend on their carcass value but on the going price of dairy cows at that particular time. Is that correct, Mr. Williams?**Mr. Williams:** That is correct, yes. The market value is not defined as the market value for food purposes but it is the market value for the purposes for which the animal was intended.**Mr. Moore (Wetaskiwin):** Yes. In other words, in the last 30-odd years they have varied somewhere between \$20 and \$350, depending on their price at that time.

Just one point for further clarification. When we speak of a pure-bred animal we definitely mean registered, do we not?

Mr. Williams: Our normal requirement in respect of pure-bred is that it is registered or eligible for registration.**Mr. Moore (Wetaskiwin):** Yes. Thank you.**The Chairman:** Thank you, gentlemen. Shall Clause 1 carry? Mr. Danforth.**Mr. Danforth:** Before Clause 1 carries, I would like to clarify one point in my mind. Mr. Williams answered my question completely when I asked the intent of this bill to pay market value with the prescribed compensation plus the market value of the carcass. But when I read this bill it does not state this specifically. There is no guarantee of this that I can find in the bill. It just states that the amounts are paid as prescribed by the Governor in Council.

As in the other bills we have dealt with, there are no provisions made. This is what I am beginning to wonder about. It seems that in each of these bills that we are dealing with, "amount as prescribed" has been taken away and left entirely to the discretion of the Governor in Council which is, in fact, the government or the department that is concerned.

• 1125

I would like an explanation from either Mr. Williams or the Minister as to whether it is the intent in these bills to take away prescribed guidelines and leave this entirely to departmental discretion. Just what are the

[Interprétation]

M. McKinley: Merci.**Le président:** Monsieur Moore a maintenant la parole.**M. Moore (Wetaskiwin):** Pour éclairer un point, monsieur le président, lorsque vous parlez de valeur marchande du bétail laitier, monsieur Williams, est-ce que vous parlez de la valeur de la carcasse, ou de la valeur au marché des vaches laitières?**M. Williams:** Oui, c'est exact. La valeur marchande ne dépend pas de la valeur marchande à des fins d'alimentation, c'est la valeur marchande basée sur la fin à laquelle le bétail est destiné.**M. Moore (Wetaskiwin):** Donc, au cours des quelques 35 dernières années, cette valeur est passée d'environ \$20 à \$350.

Je voudrais simplement ajouter quelque chose d'autre. Lorsque nous parlons de pur-sang, nous parlons de bétail enregistré, n'est-ce pas?

M. Williams: Nos exigences normales vis-à-vis du pur-sang sont que ce soit un animal enregistré, ou admissible à l'enregistrement.**M. Moore (Wetaskiwin):** Merci, monsieur.**Le président:** L'article 1 est-il adopté? Monsieur Danforth.**M. Danforth:** Je voudrais avoir quelques renseignements supplémentaires. M. Williams n'a pas complètement répondu à la question lorsque je lui ai demandé quelle était la portée de ce projet de loi. Est-ce qu'on envisage de payer la valeur marchande à titre d'indemnité, en plus de la valeur marchande de la carcasse? Mais ce n'est pas précisé dans le projet de loi. Ce n'est pas garanti. Il est simplement indiqué que les montants seront versés selon les prescriptions du gouverneur en conseil.

Comme dans les autres projets de loi étudiés, il n'y a pas de dispositions en ce sens. Il me semble que dans tous ces projets de loi, c'est le gouverneur en conseil qui décide, c'est-à-dire le gouvernement ou le ministère intéressé qui décide, puisqu'on a supprimé l'expression «le montant précisé».

J'aimerais que soit M. Williams, soit le ministre, nous explique si on a l'intention de supprimer, dans ces projets de loi, ces lignes directrices, et de laisser tout cela aux bons soins du ministère. En fait, qu'en est-il?

[Text]

facts that cause such amendments to be brought before us at this time?

Mr. Williams: The answer, Mr. Chairman, lies in the explanation that I gave earlier in respect of the returns coming from two sources. I believe I stated that the intent was that these two sources would provide a total return. The requirement in this bill, incidentally, is not different from that in the other Act that is being repealed. In other words the other Act did not specify; it simply set a maximum. And the proposal here is that the Governor in Council will set the maximum. This maximum cannot be defined as being the market value of the animal because of the fact that the returns come from the two sources.

Mr. Danforth: But, Mr. Chairman, if it is the intent of the bill that any producer who has had by government action the destruction of an animal or animals in all justice receive total payments, which could be described as market value, why is it, with all the legal talent that we have available in the Department that such intent is never prescribed in the bills?

Mr. Williams: I think that I should add to this that I mentioned earlier that there were two sources of benefits under the control programs that are governed by this portion of the Act. One was of direct assistance to the farmer and the other portion was of indirect assistance to the agricultural community as a whole.

I said at that time that it was extremely difficult to assess exactly how much benefit accrued to the farmer himself and what percentage benefit accrued to the community as a whole. And it is for this reason that the two types of diseases are handled in a different way. In one we do prescribe market value. In the other one we prescribe a maximum plus the salvage value.

The Chairman: Mr. Williams, is it correct for the Committee to assume that anything that is prescribed becomes hard and fast and requires an amendment from time to time which may not be readily undertaken? With this lack of prescribed amount then, of course, there is flexibility where immediate action can be taken by the Governor in Council. Is the Committee correct in assuming that?

Mr. Williams: It is correct in assuming, Mr. Chairman, that under the present procedure these have been in effect since 1958, I believe, and cannot be changed without the Act's coming before the House. Under the new

[Interpretation]

M. Williams: Monsieur le président, la réponse se trouve dans les explications que j'ai données précédemment des recettes provenant des deux sources. Je pense avoir dit que nous désirions faire entrer les recettes de ces deux sources sous une même rubrique. Les exigences de ce projet de loi sont identiques à celles de l'autre Loi qui ne précisait pas. Elle ne faisait qu'indiquer un maximum. Or, on dit tout simplement ici que c'est le gouverneur en conseil qui fixera ce maximum. Ce maximum ne peut pas être considéré comme la valeur marchande, parce que les recettes proviennent des deux sources.

M. Danforth: Monsieur le président, si le projet de loi doit permettre à tout producteur qui voit son bétail ou un animal abattu par décision du gouvernement d'obtenir le remboursement total sur la base de la valeur marchande, comment se fait-il alors que tous les experts juridiques qu'il se trouve dans le ministère n'aient pas réussi à l'indiquer dans la loi?

M. Williams: Je dois vous rappeler que j'avais dit précédemment qu'il y a deux sources d'avantages dans le cadre de ce programme. D'abord, l'aide directe aux agriculteurs et, deuxièmement, l'aide indirecte à l'ensemble du monde agricole.

J'ai dit à ce moment-là qu'il était excessivement difficile d'évaluer exactement la quantité de bénéfices qu'en tirait le cultivateur et le monde agricole dans son ensemble. C'est pour cette raison que les deux maladies sont traitées différemment. Dans un cas, on précise la valeur marchande, dans l'autre, nous prescrivons un maximum, plus la valeur de récupération.

Le président: Est-ce que le Comité peut alors supposer que tout ce qui est voté est immuable et exige de temps à autres un amendement selon les procédures établies? Comme le montant n'est pas prescrit, il est possible d'agir plus rapidement puisque c'est le gouverneur en conseil qui est responsable. Est-ce exact?

M. Williams: Oui. Il est juste de penser qu'en vertu de la procédure actuelle, c'est le cas depuis, je pense, 1958, et il est impossible de le modifier sans que la Loi soit soumise à la Chambre. Selon la nouvelle procédure, il

[Texte]

procedure it will be possible to change them on relatively short notice.

The Chairman: So it can be kept more current?

Mr. Williams: That is correct. That is the intention.

Mr. Danforth: Mr. Chairman, I certainly appreciate your remarks on this, but they do not answer the question that I have posed on this particular section. I am sure it is the intent of the bill, and it is my understanding that Mr. Williams agreed with me, to see that compensation is to the degree of fair market value. As a matter of fact, I note in the bill appeal sections that make it possible, when it is thought that this course of action is not followed, for an appeal to be made.

• 1130

My question is this. Since it is the intent of the bill, as we all understand it—and I am not speaking of “maximum amounts”, which is being omitted; I am speaking of the power of the Governor in Council—to pay compensation to the degree of market value, why is it not prescribed as such in this bill?

Although we may understand it as such as a Committee and be given to understand by the witnesses that it is the intent under this bill, I see nothing in this bill as it is before us, and I am sure the regulations will not stipulate, that such a course of action is mandatory. Therefore this is why I pose my question. If this is the intent, why is it not prescribed in the bill? It has nothing to do with flexibility because the market value itself can change from time to time and the Governor in Council under this bill has the right and the ability to change it.

Mr. Pringle: Could I ask my question before he answers? Is it not possible, Mr. Chairman, that under the terms that Mr. Danforth is suggesting we would be creating an added burden to the compensation program through the fact that we would then be adding the extra problem of what is market value. This could delay and hinder and create a real problem for the Department in arranging for compensation to the farmers. Is this a possibility?

Mr. Williams: Mr. Chairman, there appears to be some misunderstanding about my remarks, and I think I should clarify them. What I had intended to convey was that under those diseases, where we move in and order everything eradicated—whether or not

[Interprétation]

sera possible d'apporter les modifications sur le champ.

Le président: Il est donc possible de le tenir plus à jour.

M. Williams: C'est exact.

M. Danforth: Monsieur le président, je vous remercie de ce que vous avez dit à cet égard, mais cela ne répond pas tout à fait à la question que j'avais posée sur cet article. Je suis sûr que l'objet du bill, et je crois que M. Williams était d'accord, est que l'indemnité soit égale à la valeur marchande équitable. En fait, je constate dans le bill un article relatif aux appels qui permet d'interjeter appel si cette procédure n'est pas suivie.

La question que je posais est qu'étant donné que l'intention même du projet de loi, tel que nous le comprenons tous, et je ne parle pas du montant maximum que l'on élimine, mais du pouvoir donné au gouverneur en conseil, qui est de verser une indemnité jusqu'à concurrence de la valeur marchande, pourquoi ne pas l'indiquer comme tel dans le bill?

Même si nous, du Comité, comprenons qu'il s'agit de cela, et que les témoins nous laissent croire que c'est l'intention du bill, je ne vois rien dans le projet de loi devant nous et je suis certain que le Règlement ne précisera pas plus que cette procédure est obligatoire. C'est la raison pour laquelle je pose la question. Si c'est l'intention du projet, pourquoi ne pas l'inclure dans le bill? Cela n'affecte en rien sa souplesse car la valeur marchande peut changer de temps à autre, et le gouverneur en conseil, en vertu du bill, a le droit et le pouvoir de le modifier.

M. Pringle: Puis-je ajouter une autre question avant de répondre. N'est-il pas possible, dans les conditions énoncées par M. Danforth, de croire que nous ajoutons au fardeau au programme d'indemnités en raison du fait que nous y ajouterions le problème à savoir quelle est la valeur marchande équitable. Ce qui pourrait peut-être entraîner des délais et créer de véritables difficultés pour le ministère lors de l'établissement de l'indemnité à remettre aux fermiers. Est-ce possible?

M. Williams: Monsieur le président, je devrais peut-être éclaircir ce que j'ai dit. M. Danforth a probablement bien compris ce que j'ai dit. Ce que je voulais dire c'est qu'en vertu de ces maladies, là où nous ordonnons que le troupeau soit abattu qu'il y ai symptô-

[Text]

there is or is not evidence of the disease; they may simply be contacts of disease—we do pay market value and that is so specified.

I then explained that under this portion of the bill the benefits accrue in two directions. One directly to the farmer, and the other to the public as a whole.

It is because the portion of compensation that the government proposes to pay, and has paid over the past 40-odd years, is in proportion to the interest of the general public as opposed to that farmer himself, that it is not considered the words "full market value", or suitable words of this nature, can be used in connection with the compensation under programs of control of the diseases that I mentioned and that are covered by this clause.

Mr. Danforth: May I have a supplementary, Mr. Chairman? Mr. Williams's explanation of "full market value" is quite understandable and quite complete. My problem does not lie here, but with the particular bill we are now considering where we are in effect going to destroy an animal, or cause an animal to be destroyed. I fail to see, since the animal belongs to a private individual, why there should be a difference in the compensation that he will be paid.

• 1135

Since the animal is to all intents and purposes a total loss to him, other than the recovery value of the carcass and the amount paid to him by government, why can he not expect to receive full market value, as he would had he only one animal and it was destroyed because of foot and mouth disease. I fail to see the difference.

Mr. Williams you have stated, no doubt with good reason, that the benefit to the community is taken into consideration. However, I am unable to tie the two together, as to why the benefit to the community should subtract from the remuneration paid to the particular farmer who is subject to this action.

Mr. Williams: Mr. Chairman, this is a very difficult question. It is not our intent that the benefit to the community will subtract from it; it is our intent that the direct benefit to the farmer will subtract from it. Let us take the case of a farmer who has 30 cows in an area where a brucellosis program is in effect, in and on testing his herd we find that one animal has brucellosis. We condemn that animal take it out of the herd and order it slaughtered.

[Interpretation]

mes de maladie ou pas; même s'il y a eu simplement contact avec la maladie, nous payons effectivement la valeur marchande.

En plus, j'ai essayé d'expliquer qu'en vertu de cette partie de la loi, on est en présence de deux sortes de bénéfices: le fermier en tire, le premier, directement profit, et le public, en général, en bénéficie indirectement.

C'est parce que la part d'indemnités que le gouvernement se propose de donner, et qu'il a déjà effectivement payée depuis 40 ou 50 ans, est proportionnée à l'intérêt public général, plutôt qu'à celui du cultivateur lui-même, que l'on estime que l'expression «pleine valeur marchande» ou toute expression du même genre, puisse être employée en rapport avec l'indemnité en vertu des programmes de contrôle des maladies que j'ai énoncés et qui sont visés par cette section.

M. Danforth: Puis-je poser une question supplémentaire? L'explication de M. Williams au sujet de la pleine valeur marchande est très compréhensible et très complète mais ce n'est pas là mon problème, mais avec le projet de loi que nous étudions à l'heure actuelle, il s'agit d'abattre ou de faire en sorte d'abattre un animal. Étant donné que nous abattons un animal qui est la propriété d'un particulier, je ne vois pas alors pourquoi il devrait y avoir une différence dans l'indemnité qui lui est payée.

Car, à toutes fins pratiques, l'animal est une perte totale sauf la récupération de la carcasse et l'indemnité qu'il reçoit du gouvernement. Et, alors, pourquoi ne peut-il pas s'attendre à avoir la pleine valeur marchande tout comme s'il n'avait qu'un seul animal et qu'il était détruit par la fièvre aphteuse. Je ne vois pas du tout la différence. M. Williams a dit, et avec raison j'en suis sûr, qu'il faut aussi tenir compte de l'intérêt public. Cependant je ne vois pas le lien entre les deux. Pourquoi l'intérêt public devrait-il se soustraire de l'indemnité particulière versée au cultivateur victime de cette action?

M. Williams: Il s'agit là d'une question assez difficile. Ce n'est pas notre intention de faire en sorte que l'intérêt public passe avant le cultivateur: notre intention veut que l'intérêt direct du cultivateur découle de l'intérêt public. Mettons par exemple qu'un cultivateur possède 20 ou 30 vaches dans une région soumise à un programme de lutte contre la brucellose. Et, en examinant son troupeau, nous découvrons qu'une vache est atteinte de brucellose. Nous conduisons cette vache hors du troupeau et nous ordonnons qu'elle soit abattue.

[Texte]

Presumably, we have performed a service to that farmer, because we had not gone in, identified that animal and taken it out, in several months or several years—I do not know how long because the spread of this disease and everything else is a very difficult question—it is entirely possible that his whole herd would have contracted brucellosis. Therefore, we believe that a brucellosis eradication program has direct benefit—and I am using brucellosis as an example here—to the farmer concerned, who in turn by allowing that animal to be slaughtered, is performing a service to his neighbours and to agriculture as a whole.

The proposal under this, basically, is to compensate him for the service that the entire program is providing to the community as a whole, rather than for that portion of the service that is directed directly to him.

Having said that, however, I think you will appreciate that if we take out the whole herd, we have not provided him with any particular service in preventing the spread of the disease within his herd. We may have provided him with some service possibly in terms of improved performance of whatever replacement herd he may have.

This is why I say it is a very difficult question, and why we do not specify that it should be full market value, whereas under the other programs we do specify.

The Chairman: May I make an observation, à propos Mr. Danforth's question. If we were to spell out "full market value" in the act, then, of course, any salvage value as a result of an animal having been destroyed, for a disease where there is a salvage value, would have to be paid to the government and that would be much more complicated than to have an understanding whereby compensation would be such and such, and that the net return to the farmer would be equivalent of full market value. Is this not the crux of the situation?

Mr. Williams: Basically, yes.

Mr. Danforth: Mr. Chairman, may I continue my line of questioning? I think with Mr. Williams's explanation we are approaching the area that interests me. Mr. Williams, with your explanation, which does clarify the point to a marked degree, since the government alleges that a service has been performed to the farmer, which I do not question at all,

[Interprétation]

Si en vertu de ce programme, nous ne l'avions pas détachée et abattue, dans quelques mois ou dans quelques années—il s'agit là encore une fois d'un autre point difficile—il est fort possible que le troupeau entier aurait été atteint de brucellose après un certain moment. Nous croyons donc que le programme de détection de la brucellose, et je me sers de la brucellose comme exemple seulement, est d'un avantage direct envers le cultivateur concerné qui à son tour rend un service à ses voisins et à l'agriculture dans son ensemble lorsqu'il consent à ce que l'animal soit abattu.

En fait, nous voulons dédommager le cultivateur, pour le service que le programme dans son ensemble rend à la collectivité dans son ensemble plutôt que pour cette partie du service qui est liée directement au cultivateur en particulier.

Ceci étant dit, et je crois que vous me comprendrez, si toutefois on enlève à l'agriculteur son troupeau entier, vous ne lui rendez pas grand service en tant que prévention de la maladie. Vous lui aurez peut-être rendu service dans le sens qu'il pourrait éventuellement obtenir un meilleur rendement de la part d'un troupeau de remplacement. Et c'est la raison pour laquelle je dis que la question est très difficile, et c'est la raison pour laquelle nous ne précisons pas que l'indemnité doit correspondre à la pleine valeur marchande. Tandis qu'en vertu d'autres programmes, nous le précisons.

Le président: Est-ce que je pourrais faire une remarque au sujet de la question posée par M. Danforth. Si nous mentionnons «la pleine valeur marchande» dans le texte de loi, toute valeur de récupération résultant de l'abattage d'un animal pour cause de maladie, au cas où il y aurait une telle valeur de récupération, devrait être remboursée au gouvernement. Ce qui semble beaucoup plus compliqué que si l'entente veut que l'indemnité soit de tel ou tel montant et que le produit net de la récupération et de l'indemnité versé au cultivateur soit l'équivalent de la pleine valeur marchande. N'est-ce pas là le nœud du problème?

M. Williams: Dans l'essentiel, oui.

M. Danforth: Est-ce que je pourrais continuer mes questions. Je crois qu'avec l'explication de M. Williams nous nous rapprochons maintenant du domaine qui m'intéresse.

En raison de vos explications, M. Williams, qui éclaircissent la situation jusqu'à un certain point, est-ce que je pourrais alors vous demander, ou ajouter, étant donné que le

[Text]

may I then ask how the value of this service is determined, and how the Governor in Council is going to determine the recompense or compensation? How is this arrived at?

Mr. Williams: We propose to establish, not by a hard and fast formula, I may say, because there are always difficulties about hard and fast formulas, some type of a floating average based upon performance on certain fixed markets. This will not be specified, incidentally, by Governor in Council, because we are not particularly anxious to be tied to a hard and fast formula, but we propose to relate it to the performance on certain markets of classes of cattle, of the type and kind. We believe that through the appeal procedure we have now provided sufficient latitude that it will not take long to set a series of precedents that will remove any difficulty in terms of determining the figure to recommend to the Governor in Council.

• 1140

Mr. Danforth: Mr. Chairman, may I then ask a further question?

If I understand Mr. Williams correctly then, under this proposed act where we are breaking new ground, it would be quite conceivable if a claim were put in for a milk cow, destroyed under the program, the Governor in Council may establish a market price by taking the average market price on a series of markets, and prescribe a reduction of 20 per cent, and assume that the service to the farmer is of the value of 20 per cent, pay the farmer on 80 per cent of this market value, and then, through a series of actions on his part, as you have said, and the appeals following, establish a working formula for this particular method. Is this my understanding of your explanation?

Mr. Williams: Mr. Chairman, I am not sure whether Mr. Danforth suggested that the Governor in Council would, by regulation, establish a formula or whether the Department would be guided by a formula in making its recommendations to the Governor in Council.

Mr. Danforth: My implication was not the actions of the Governor in Council. I am sorry if I gave that impression. I am interest-

[Interpretation]

gouvernement prétend qu'il y a un service rendu aux cultivateurs, et je ne mets aucunement cela en doute, comment on détermine la valeur de ce service rendu et de quelle façon le gouverneur en conseil établira ce qu'il estime être un dédommagement équitable ou une indemnité équitable? Comment arrive-t-on à ce chiffre?

M. Williams: Nous nous proposons de faire le lien—non pas par une formule rigide, car il est toujours difficile d'établir une formule rigide—en établissant une moyenne flottante fondée sur le rendement de certains marchés fixes. Ceci ne sera pas mentionné précisément par le gouverneur en conseil car nous ne voulons pas être liés à une formule rigide, mais nous nous proposons de la relier au rendement de certains marchés de bestiaux de la même classe, du même genre et de la même catégorie. Nous croyons que grâce à la procédure des appels nous avons maintenant donné suffisamment de latitude pour que cela ne prenne pas trop de temps pour créer une série de précédents qui pourraient éliminer tout doute quant aux difficultés à établir le chiffre à recommander au gouverneur en conseil.

M. Danforth: Est-ce que je pourrais poser une question supplémentaire alors?

Si j'ai bien compris l'explication de M. Williams, dans l'application de ce projet de loi nous abordons un terrain nouveau. Serait-il concevable alors que pour une réclamation faite au gouverneur général en conseil concernant une vache laitière qui aurait été abattue en vertu du programme, le gouverneur en conseil pourrait alors établir un prix de vente en prenant la moyenne de la valeur marchande sur une série de marchés, et réduise le montant de 20 p. 100 en prétendant que la valeur du service rendu à la collectivité ou au cultivateur équivaut à 20 p. 100 et paie le cultivateur pour l'équivalent de ces 80 p. 100, et qu'ensuite, à la suite de diverses actions du gouvernement et d'appels qui s'ensuivraient on pourrait établir une formule pour ce genre de réclamations. C'est bien ce que j'ai compris?

M. Williams: Je ne sais pas si M. Danforth essaie de dire que c'est le gouverneur général en conseil qui établirait au moyen d'un règlement une formule ou si c'est le ministère qui serait guidé lors de ses recommandations au gouverneur en conseil.

M. Danforth: Ce que je voulais laisser entendre, ce ne sont pas les actions du gouverneur en conseil, je m'excuse si j'ai laissé

[Texte]

ed in the actual mechanics of it. This could be the mechanics of it. This is how the Department officials in charge would arrive at a value.

Mr. Williams: We do not propose, at least at this moment, to use a firm formula for what benefits will accrue to the farmer vis-à-vis the general public, because we do not believe that an over-all percentage would be a responsible approach.

As I mentioned, if one reactor were taken out of a very large herd presumably the benefit to the farmer of its being detected is much greater than if it were found that his whole herd were reactors.

Therefore, we do not wish to tie ourselves to a specific percentage.

We wish to have the maximum compensation set at a level that would allow us, as departmental officials, to operate within that maximum, plus the salvage values, so that these various factors could be taken into consideration without breaching the maximum.

Mr. Danforth: If I understand you correctly, then, it is actually a departmental estimation of the value to the farmer in the compensation being paid, subject to appeal by the injured party?

Mr. Williams: That is correct.

Mr. Danforth: These are the mechanics of it?

Mr. Williams: Yes; and subject to appeal.

Mr. Danforth: Thank you, Mr. Chairman.

Mr. Peters: If I may ask a supplementary question, Mr. Chairman, I gather from the last remark that the appeal applies both to the slaughtering of a herd and to our paying of compensation? Is that so? Does it apply to both? I gathered that it did not; that it applied only to where we are slaughtering the herds.

Mr. Williams: No, it applies to the whole thing—any animal slaughtered under the provisions of this Act. It does not matter which part of the Act.

Mr. Peters: If that is true I am quite pleased to hear it, but I do not see how it can be, in light of the explanation. By Order in Council you will establish in one case the rate of compensation, and in the other you will use the market value, where you slaughter the herd. But you will have an Order in Council setting maximums for one

[Interprétation]

cette expression, mais il se peut que cela puisse se produire de cette façon. Les fonctionnaires en arriveraient à cette valeur de cette façon, n'est-ce pas?

M. Williams: A l'heure actuelle, du moins, nous ne nous proposons pas d'avoir une formule rigide et ferme quant aux avantages qui seraient rendus aux cultivateurs vis-à-vis du grand public, par rapport au grand public. Nous ne croyons pas en effet qu'un avantage général serait la bonne méthode, car ce serait beaucoup plus facile de l'établir dans le sens d'un seul animal que dans le cas d'un troupeau entier. Nous ne voulons pas nous en tenir à un pourcentage établi.

Ce que nous voulons avoir c'est un maximum d'indemnité qui puisse nous permettre, à titre de fonctionnaires, d'agir à l'intérieur de ce maximum en plus de la valeur de récupération, afin que tous ces cultivateurs soient pris en considération sans enfreindre le maximum.

M. Danforth: Alors si je vous ai bien compris, c'est une estimation, une évaluation de la part du ministère quant à la valeur qui doit revenir aux cultivateurs, toujours sujet à l'appel de la part de la personne visée.

M. Williams: C'est exact.

M. Danforth: C'est là la procédure, n'est-ce pas?

M. Williams: C'est exact, toujours sous réserve d'un appel.

M. Danforth: Merci, monsieur le président.

M. Peters: D'après votre dernière remarque, l'appel concernerait à la fois l'abattage d'un troupeau et le paiement d'une compensation? Or, je croyais que seul l'abattage était concerné.

M. Williams: Non, cela s'applique à l'ensemble, à tout animal abattu, en vertu des dispositions de la présente loi, peu importe de quelle partie de la loi.

M. Peters: Si c'est vrai, je suis très heureux, mais je ne vois pas du tout comment cela peut être vrai, à la suite de l'explication donnée. Car, par décret du gouverneur en conseil, vous aurez fixé le taux d'indemnité dans un cas et dans l'autre, vous emploierez la valeur marchande, là où vous abattez le troupeau dans son ensemble. Vous aurez donc un décret fixant des maxima dans un cas?

[Text]

Mr. Williams: That is correct.

Mr. Peters: I do not see how there can be an appeal against that.

Mr. Williams: Against what?

Mr. Peters: Against the maximum that is set by Order in Council.

Mr. Williams: Excuse me. There is no appeal against the maximum.

Mr. Peters: Therefore, the appeal really applies only . . .

Mr. Williams: The right to appeal applies to anybody who is awarded less than the maximum, right down to zero.

In addition to that, in the case of those who are under the other part of the Act not covered by this amendment it applies to them against the award of market value.

Mr. Peters: Yes.

• 1145

Mr. Williams: You will appreciate, however, that in that case the market value is assessed by a tribunal which includes a representative of the aggrieved party.

Mr. Peters: Yes; I can see where this would be subject to opinion, but I do not see where the other is subject to opinion.

As I see it, we are using a fairly definite formula, and the Order in Council will establish that formula.

Mr. Olson: Mr. Chairman, there can be an appeal under the other section if there is an award of compensation of something less than the maximum, and the appeal would be for from whatever the amount was up to the maximum. It could not, of course, go beyond the maximums because there is a law setting down maximums and the ways and means of arriving at those maximums.

Mr. Peters: But the maximum in all cases, at least in my experience, is considerably below market value.

Mr. Olson: That may be, but all we are asking of Parliament now is to give us authority to go up to the maximum and not leave it wide open to any amount. That was the case under the Act previously. Maximums were set down.

Mr. Peters: Yes; and I do not disagree with it; but I just do not see how the appeal will work, or why there they should necessarily be one, because we are setting the compensa-

[Interpretation]

Mr. Williams: C'est exact.

M. Peters: Alors je ne vois pas du tout comment on peut interjeter appel contre cette décision.

Mr. Williams: Contre quoi?

M. Peters: Contre le maximum fixé par décret.

Mr. Williams: Mais il n'y a pas d'appel contre le maximum.

M. Peters: Alors, l'appel concerne seulement . . .

Mr. Williams: Le droit d'appel vaut pour quiconque se voit accorder moins que le maximum, jusqu'à zéro. Et en plus, il s'applique aux autres personnes qui sont concernées par les autres parties de la loi mais non par cet amendement contre l'attribution de la valeur marchande.

M. Peters: Oui.

Mr. Williams: Mais je crois que dans ces cas-là, la valeur marchande est accordée par un tribunal qui inclut un représentant du plaignant.

M. Peters: Oui, ce pourrait être une question de point de vue, mais non dans l'autre cas. Il s'agit d'une formule plutôt définie, étant donné que ce serait décidé par un arrêté ministériel.

M. Olson: Il pourrait y avoir un appel en vertu de l'autre section si l'indemnité est pour un montant inférieur au maximum. Et l'appel pourrait être interjeté pour n'importe quel montant jusqu'au maximum. La loi prévoit le maximum et la façon d'y arriver.

M. Peters: Mais le maximum, dans tous les cas, d'après les expériences que j'ai, est bien inférieur à la valeur marchande.

M. Olson: C'est la seule chose que nous demandons maintenant au Parlement de faire, c'est de nous donner l'autorisation d'aller jusqu'au maximum, mais de ne pas laisser la porte ouverte à n'importe quel montant.

M. Peters: Je ne suis pas en désaccord, mais je ne vois pas du tout comment fonctionnerait l'appel ou pourquoi il y aurait nécessairement appel, étant donné que nous

[Texte]

tion maximum by Order in Council. Our argument has been that that is not necessarily market value.

Mr. Olson: But under one section an award could be made at something less than the maximum prescribed by the Governor in Council, and if at any time such an award was made then you would have the right to appeal.

Under the other section, which relates to market value, if you are not satisfied with what is determined to be the market value you can appeal that, too.

Mr. Peters: Yes, I suppose so.

The Chairman: Gentlemen, we have arrived at our time of adjournment. Are you disposed to carry clause 1?

An hon. Member: We do not have a quorum. Clause 1 stood.

The Chairman: Gentlemen, we will meet again next Tuesday morning, and you will be advised by notice what the order of business will be.

Mr. Peters: Mr. Chairman, before we adjourn may I ask whether, for our information, the Minister could present to us—and I do not suggest that it be in terms of actual cases—some indication of the circumstances in which compensation has been paid, and to what maximum, under both sections?

I am still interested in why there should be an appeal, because I think we will find that the maximums here have also been the minimums.

Mr. Williams: We have that information and we will obtain it for the next meeting.

The Chairman: The meeting is adjourned to the call of the Chair.

[Interprétation]

établissons le maximum de l'indemnité dans l'arrêté ministériel. Évidemment, ce que nous prétendons c'est que ce n'est pas nécessairement une juste valeur marchande.

M. Olson: Mais en vertu d'une section, l'indemnité pourrait être fixée à moins que le maximum établi par le gouverneur en conseil, et si on versait moins que le maximum, on aurait le droit d'appel. En vertu de l'autre partie, si l'on n'est pas convaincu de la juste valeur marchande, on pourrait aussi en appeler.

M. Peters: Oui.

Le président: Messieurs, nous en sommes arrivés à notre heure d'ajournement. Êtes-vous disposés à adopter l'article premier?

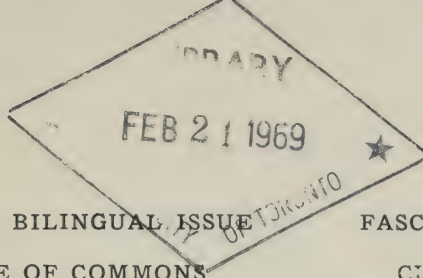
Une voix: Nous n'avons pas le quorum. Article 1 réservé.

Le président: Messieurs, notre prochaine réunion aura lieu mardi prochain. Vous recevrez un avis quant à savoir ce que nous étudierons à ce moment-là.

M. Peters: Avant l'ajournement, monsieur le président, est-ce que je pourrais demander si le ministre pourrait nous donner, à titre de renseignement... je ne veux pas dire les cas exacts, mais une indication du maximum des indemnités qui ont été versées en vertu de chaque partie? Ce qui m'intéresse particulièrement, c'est de savoir pourquoi il devrait y avoir appel, parce que les maxima ici ont été aussi les minima.

M. Williams: Nous avons ces renseignements. Nous vous les donnerons à la prochaine réunion.

Le président: La séance est levée.



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First Session
Twenty-eighth Parliament, 1968-69

Première session de la
vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 16

TUESDAY, FEBRUARY 4, 1969

LE MARDI 4 FÉVRIER 1969

Respecting—Concernant

BILL C-157,
The Pest Control Products Act.

Le BILL C-157,
Loi sur les produits antiparasitaires.

WITNESSES—TÉMOINS

(see Minutes of Proceedings)

(voir les procès-verbaux)

The Queen's Printer, Ottawa, 1969
L'Imprimeur de la Reine, Ottawa, 1969

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Vice-Chairman

and Messrs.

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Thomson (*Battleford-
Kindersley*),
Whicher,
Yanaklis-30.

Le secrétaire du Comité,

Michael A. Measures

Clerk of the Committee.

¹ Replaced Mr. Downey
on February 4, 1969.

¹ Remplace M. Downey,
le 4 février 1969.

[Text]

[Traduction]

MINUTES OF PROCEEDINGS

TUESDAY, February 4, 1969.
(19)

The Standing Committee on Agriculture met at 9.48 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobb, Côté (*Richelieu*), Danforth, Douglas, Gleave, Horner, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), La Salle, Lessard (*Lac-Saint-Jean*), McKinley, Peters, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*), Whicher—(20).

Also present: Mr. Ritchie, M.P.

Witnesses: From the Canadian Agricultural Chemicals Association: Dr. G. S. Cooper, President; Mr. J. A. Oakley, Vice President; Mr. J. Chevalier, Executive Secretary who is also Executive Secretary of the next named Association; *and from the Canadian Manufacturers of Chemical Specialties Association:* Mr. J. W. Kennedy, President.

At 9.50 a.m., the absence of a quorum having been noted, proceedings were suspended until a quorum was present, namely 9.56 a.m.

On Bill C-157, the Pest Control Products Act, it was agreed to continue to let Clause 4 stand and to proceed to consider Clause 5.

The Chairman introduced the witnesses.

Mr. Chevalier read a statement of the Canadian Agricultural Chemicals Association and a related letter from the Canadian Manufacturers of Chemical Specialties Association.

The witnesses were questioned and, on completion thereof, Clause 5 was allowed to stand.

At 12.05 p.m., the Committee adjourned to the call of the Chair.

PROCÈS-VERBAUX

MARDI 4 février 1969.
(19)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 48, sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Clermont, Cobb, Côté (*Richelieu*), Danforth, Douglas, Gleave, Horner, (*Okanagan-Boundary*), Lambert (*Bellechasse*), La Salle, Lessard (*Lac-Saint-Jean*), McKinley, Peters, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*), Whicher—(20).

Aussi présent: M. Ritchie, député.

Témoins: De l'Association canadienne de produits chimiques agricoles: M. G. S. Cooper, président; M. J. A. Oakley, vice-président; et M. J. Chevalier, secrétaire de direction de cette Association et de la suivante. *De l'Association des chimistes manufacturiers canadiens de spécialités:* M. J. W. Kennedy, président.

Le quorum n'y étant pas à 9 h. 50, on attend, pour commencer les délibérations, que le Comité soit en nombre—soit à 9 h. 56.

Sur le Bill C-157—Loi sur les produits antiparasitaires—on décide de continuer à réserver l'article 4 et de passer à l'examen de l'article 5.

Le président présente les témoins au Comité.

M. Chevalier lit une déclaration de l'Association canadienne de produits chimiques agricoles, ainsi qu'une lettre y ayant trait de l'Association des chimistes manufacturiers canadiens de spécialités.

Les témoins sont interrogés, puis on décide de réserver l'article 5.

A midi 05, on lève la séance jusqu'à nouvelle convocation du président.

*Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee,*

[Texte]

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday, February 4, 1969

● 0948

The Chairman: Gentlemen, the meeting will come to order.

We are privileged this morning to have with us representatives of two organizations with interlocking directors, shall I say, the Canadian Agricultural Chemicals Association and the Canadian Manufacturers of Chemical Specialties Association, each organization having the same directors.

I would like to introduce the gentlemen who sit on my right. First of all Mr. Chevalier, Secretary Manager of both organizations; Dr. Cooper, Mr. Kennady and Mr. Oakley. It is my understanding that the gentlemen present have a brief which they would like to present to the Committee. We will hear that brief in one minute.

We were last on Clause 4 of Bill No. C-157 — An Act to regulate products used for the control of pests and the organic functions of plants and animals. That Clause was allowed to stand.

Since our witnesses here today are concerned with Clause 5, I propose to continue to let Clause 4 stand and proceed to Clause 5. Is it agreed?

Mr. Horner: Mr. Chairman, on a point of order, I do not want to disrupt the Committee proceedings or in any way hold these gentlemen back from presenting their brief, but I cannot let you continue without drawing to your attention the fact that you have not got a quorum. As I understand it, a quorum is half the Committee plus one. Is this going to be a standard practice or what is the situation? We do not have a quorum and it is my understanding that this Committee has not granted you the right to carry on without a quorum.

● 0950

The Chairman: I think your point is well taken. If you are going to raise an objection then the Committee will have no alternative but to wait until some additional members come and if we do not obtain a quorum we will have no choice but to adjourn the meeting.

Mr. Horner: Well, I count 14 and I raise the objection. There are only eight members of the Conserva-

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Le mardi 4 février 1969.

Le président: Messieurs, à l'ordre s'il vous plaît.

Nous avons l'honneur, ce matin, d'avoir parmi nous les représentants de deux organismes ayant une direction commune, l'Association canadienne de produits chimiques agricoles et l'Association des chimistes manufacturiers canadiens de spécialités.

Tout d'abord, à ma droite, M. Chevalier, secrétaire exécutif des deux associations, MM. Cooper, Kennady et Oakley.

Si j'ai bien compris, ils ont un mémoire qu'ils voudraient bien présenter au comité. Nous entendrons ce mémoire dans un instant.

Nous en étions à l'article 4 du bill C-157, *Loi ayant pour objet de réglementer les produits utilisés pour détruire les parasites et agir sur les fonctions organiques des plantes et des animaux*. L'article 4 a été réservé.

Comme nos témoins de ce matin ont rapporté l'article 5, j'ai l'intention de laisser l'article 4 sous réserve et d'aborder l'article 5. D'accord?

M. Horner: J'en appelle au Règlement, monsieur le président.

Je ne voudrais pas interrompre les travaux du comité, ni empêcher ces messieurs de présenter leur mémoire, mais je ne puis vous laisser continuer sans attirer votre attention à l'effet que vous n'avez pas le quorum. Si j'ai bien compris, le quorum c'est la moitié des membres du Comité plus un. Est-ce ce que c'est une pratique normale ou quoi? Si j'ai bien compris, le comité ne vous a pas donné la permission de travailler sans le quorum.

Le président: Je crois que vous avez probablement raison. Si vous voulez vous y opposer, le comité n'aura pas d'autre choix sauf d'attendre les autres membres du comité. Si nous n'avons pas le quorum nous n'aurons pas le choix, il faudra nécessairement ajourner la réunion.

M. Horner: J'en compte quatorze, il n'y a que huit membres ici. La plupart des 30 membres du Comité

[Text]

tive Party on this Committee. Most of the 30 are liberal and it your job to get the members here.

The Chairman: Your objection is upheld. Mr. Douglas.

Mr. Douglas: I have sat on committees before the rule changes where agreement was reached that we could continue business and ratify it when a quorum appeared. It seems to me that we could quite well try that this morning. I propose to move that we hear the witnesses and ratify the proceedings when we have a quorum.

The Chairman: First of all, we would not be able to receive the motion since the meeting is not duly convened; and secondly, since there does not really appear to be a disposition to proceed on that basis, we will have to wait.

Mr. Douglas: Unless we can proceed by agreement.

An hon. Member: We could not vote anyway, Mr. Chairman, unless we did have a quorum.

M. Roy (Laval): Monsieur le président, est-ce qu'on ne pourrait pas débiter les travaux, même si on ne peut pas voter?

The Chairman: I now see a quorum, gentlemen. Are we agreed that Clause 4 shall stand and we shall proceed with Clause 5?

Some hon. members: Agreed.

The Chairman: Gentlemen, my introduction was detracted from slightly because of a complication. For the benefit of those who have just come in I should introduce the witnesses again. On my right Mr. Chevalier, Dr. Cooper, Mr. Kennady and Mr. Oakley representing the Canadian Agricultural Chemicals Association and the Canadian Manufacturers of Chemical Specialties Association.

Gentlemen, it is my understanding that these witnesses have a brief which they would like to present to the Committee at this time and I have the pleasure in introducing Mr. Chevalier.

Mr. J. Chevalier (Executive Secretary, Canadian Manufacturers of Chemical Specialties Association): Mr. Chairman, members of the Committee, on behalf of both associations I would like to express our appreciation for the opportunity which you have afforded us today to appear before you.

I should point out that Dr. Cooper on my immediate right is President of the Canadian Agricultural Chemicals Association. Mr. Kennady on Dr. Cooper's right is President of the Canadian Manufacturers of

[Interpretation]

sont des libéraux. C'est à vous de veiller à ce que les députés soient présents.

Le président: Vous avez raison. Monsieur Douglas.

M. Douglas: J'ai déjà fait partie du comité avant le changement dans le règlement où nous étions d'accord pour continuer à travailler, sujet à la ratification du quorum, lorsqu'il serait là. Nous pourrions peut-être l'essayer ce matin. Je propose donc officiellement que nous écoutions les témoins et que nous ratifiions la procédure par la suite.

Le président: Tout d'abord, nous ne pourrions pas laisser la motion ou considérer la motion comme recevable étant donné qu'il n'y a pas de quorum. La réunion n'a pas débuté officiellement, et deuxièmement, on ne semble pas vouloir procéder de cette façon. Alors, il faudrait attendre.

M. Douglas: A moins que tous y consentent.

Une voix: Nous ne pourrions pas voter de toute façon, monsieur le président.

Mr. Roy (Laval): Mr. Chairman, could we not start the proceedings even though we cannot vote?

Le président: Nous sommes en nombre maintenant, messieurs.

Sommes-nous d'accord que l'article 4 soit réservé et que nous abordions l'article 5?

Des voix: D'accord.

Le président: Je crois que ma présentation a été interrompue un peu en raison de certaines complications, je crois que, pour ceux qui viennent d'entrer, je devrais peut-être présenter encore une fois nos invités. A ma droite, M. Chevalier, le docteur Cooper, M. Kennady et M. Oakley qui représentent l'Association des chimistes manufacturiers canadiens de spécialités et l'Association canadienne des produits chimiques agricoles. Ils ont un mémoire à présenter. J'ai donc l'honneur de vous présenter M. Chevalier.

M. J. Chevalier (secrétaire exécutif, Association canadienne des produits chimiques agricoles): Messieurs, au nom des deux associations j'aimerais bien vous exprimer notre reconnaissance de nous avoir donné l'occasion aujourd'hui de comparaître devant vous. Je devrais peut-être dire que le docteur Cooper, à ma droite, est le président de l'Association canadienne de produits chimiques agricoles, et M. Kennady, à la droite de M. Cooper, est le président de l'Association des chimistes manufacturiers canadiens

[Texte]

Chemical Specialities Association and a Vice-president of the Canadian Agricultural Chemicals Association. Mr. Oakley on the extreme right is Vice President of the Canadian Agricultural Chemicals Association. I am Executive Secretary of both associations.

If it is your pleasure, Mr. Chairman, I can proceed with the reading of this.

The Chairman: We would be pleased if you would.

Mr. Chevalier: This is a statement of Canadian Agricultural Chemicals Association to the Standing Committee on Agriculture in respect to Bill C-157.

The Canadian Agricultural Chemicals Association incorporated under the Companies Act of Canada, represents Canadian Manufacturers, formulators and distributors of agricultural chemicals.

Agricultural chemicals, in the form of pest control products, are vital to Canadian agricultural producers in both crop protection and animal production. Without these products the value of Canadian agricultural production would be drastically reduced.

In general, the association feels that the present Pest Control Products Act has been a good one and, in its essentials, has adequately withstood the tests of time. Nevertheless there are significant areas of this Act where amendment is desirable.

● 1000

The Canadian Agricultural Chemicals Association, therefore, welcomes the introduction of Bill C-157 and after review, is satisfied that in general the Bill will provide for effective and equitable control over pest control products in the public interest.

There are certain points in connection with the Bill, however, which the association feels bound to comment on.

Significant by its absence in the Bill is the need for a right of appeal in respect to the provisions of the Act dealing with registration or offences.

Specifically, as regards registration, the interpretation of one individual leading to the refusal of a registration should be subject to appeal by the applicant. Also, under Section 9 (2) (c) there should be provision for a right of appeal where an inspector can detain a product for up to six months even though it has not been established that there is anything wrong with the product.

Section 5 (k) is a further example of the need for a right of appeal from arbitrary decision. This Section deals with regulations respecting packaging labelling and advertising.

[Interprétation]

de spécialités et vice-président de l'Association canadienne de produits chimiques agricoles.

M. Oakley, à la droite complètement, est vice-président de l'Association canadienne de produits chimiques agricoles, moi-même je suis secrétaire exécutif des deux organismes.

Voulez-vous, monsieur le président, que j'aborde maintenant la lecture de notre mémoire?

Le président: Oui.

M. Chevalier: Il s'agit d'une déclaration présentée par l'Association canadienne de produits chimiques agricoles au Comité permanent de l'agriculture concernant le Bill C-157.

L'Association Canadienne de Produits Chimiques Agricoles, constituée en vertu de la Loi des Compagnies du Canada, représente les manufacturiers canadiens, créateurs et distributeurs de produits chimiques agricoles.

Les produits chimiques agricoles tels que les produits antiparasitaires sont de toute première importance pour les producteurs agricoles canadiens, pour la protection des récoltes et l'élevage des animaux. Sans ces produits, la qualité de la production agricole canadienne serait terriblement réduite.

En général, l'Association pense que la Loi en question sur les produits antiparasitaires a été bien faite et qu'elle a, pour l'essentiel, supporté convenablement l'épreuve du temps. Toutefois, il existe dans cette Loi des points importants qu'il serait souhaitable de modifier.

L'Association Canadienne de Produits Chimiques Agricoles fait donc bon accueil à la présentation du Bill C-157 et après examen, note avec satisfaction qu'en général le Bill prévoit un contrôle efficace et équitable des produits antiparasitaires dans l'intérêt public.

Cependant, l'Association pense devoir faire des commentaires sur certains points de ce Bill.

Significative par son absence du Bill est la nécessité d'un droit d'appel en ce qui a trait aux dispositions de la Loi portant sur l'enregistrement ou les infractions.

Plus précisément, en ce qui a trait à l'enregistrement, l'interprétation d'un particulier ayant entraîné un refus d'enregistrement devrait pouvoir faire l'objet d'un appel par le candidat. Dans la Section 9 (2) (c) il devrait exister une disposition prévoyant un droit d'appel dans le cas où un inspecteur peut retenir un produit, pendant aussi longtemps que six mois, même s'il n'a pas été établi que ce produit était défectueux.

La Section 5 (k) est un autre exemple illustrant la nécessité d'un droit d'appel d'une décision arbitraire. Cette Section porte sur les règlements concernant l'emballage, l'étiquetage et la publicité.

[Text]

A right of appeal is also necessary when dealing with offences by agents or employees or by arbitrary action on the part of inspectors.

Subsection (2) (a) and (b) of Section 4 is not a desirable inclusion in the Act. Subsection 2 (a) and (b) seeks to control the formulation of products for export to foreign countries according to Canadian standards of registration. The reason for such control has no apparent justification and could well hinder the export of such products. Subsection 2 (a) and (b) would also require that a foreign manufacturing establishment submit to Canadian control should it export products to a Canadian plant and, subsequently, should such products be shipped interprovincially in Canada. The implementation of such control does not appear possible and, requiring it as a condition would restrict the availability of imported materials in Canada.

Section 5 (d) should not include the registration of establishments. There is no apparent justification for the registration of an establishment. The registration of the product should be adequate.

Section 5 (e) provides for the establishment of regulations respecting the inspection and operation of establishments. Authority over in-plant operations in the new Act is needless in the opinion of the association. Although it is appreciated that in some instances present quality control procedures are less than satisfactory it is suggested that these should be upgraded and that end product analysis is still the most effective form of quality control.

Mr. Chairman, with your permission I might read the supporting letter which I wrote to you from the Canadian Manufacturers of Chemical Specialties Association. This is addressed to Mr. Beer.

Dear Mr. Beer:

The Canadian Manufacturers of Chemical Specialties Association incorporated under the Companies Act of Canada, represents manufacturers in Canada of consumer chemical products such as aerosols, soaps, detergents, sanitary chemicals, waxes, floor finishes, automotive chemicals and house and garden pesticides.

The association has an interest in Bill C-157 by reason of the involvement of certain of its members in the manufacture of household and garden pesticides.

The appropriate division of the association has reviewed the Bill and the statement of the Canadian Agricultural Chemicals Association.

As a consequence the Canadian Manufacturers of Chemical Specialties Association, by means of this letter, advises its full support of the position adopted by the Canadian Agricultural Chemicals Association.

[Interpretation]

Un droit d'appel est également nécessaire pour les infractions commises par des agents ou employés ou pour action arbitraire de la part des inspecteurs.

L'existence du paragraphe (2) (a) et (b) de la Section 4 n'est pas nécessaire dans cette Loi. Le paragraphe (2) (a) et (b) vise à contrôler la composition des produits destinés à l'exportation en pays étranger d'après les Normes Canadiennes d'Enregistrement. La raison d'un tel contrôle n'a aucune justification apparente et pourrait bien faire obstacle à l'exportation de ces produits. Le paragraphe 2 (a) et (b) exigerait également qu'un établissement industriel étranger se soumette à un contrôle canadien s'il exporte des produits vers une usine canadienne et si, par la suite, ces produits sont, au Canada, transportés d'une province à l'autre. La mise en oeuvre d'un tel contrôle ne paraît pas possible et s'il devenait une condition requise, il en résulterait une réduction de la disponibilité des matériaux importés au Canada.

La Section 5 (d) ne devrait pas inclure l'enregistrement des établissements. Il n'existe pas de justification apparente pour l'enregistrement des établissements. L'enregistrement des produits devrait être suffisant.

La Section 5 (e) prévoit la création de règlements concernant l'inspection et l'exploitation des établissements. Le droit d'autorité sur le fonctionnement intérieur d'une usine, dans la nouvelle Loi, est inutile au dire de l'Association. Bien qu'on sache que dans certains cas les procédés actuels de contrôle de la qualité sont moins que satisfaisants, il est proposé que ces procédés soient améliorés et que l'analyse du produit fini est encore le moyen le plus efficace de contrôler la qualité.

Monsieur le président, avec votre permission, je pourrais peut-être vous donner lecture de la lettre envoyée par l'Association des chimistes manufacturiers canadiens de spécialités. Elle est adressée à M. Beer.

Cher Monsieur Beer,

L'Association des Chimistes Manufacturiers Canadiens de Spécialités, constituée en vertu de la Loi des Compagnies du Canada, représente les manufacturiers canadiens de produits chimiques de consommation tels qu'aérosols, savons, détersifs, produits sanitaires, cires, apprêts à planchers, produits chimiques pour véhicules motorisés, et insecticides potagers et domestiques.

L'Association s'intéresse au Bill C-157 en raison de la participation de certains de ses membres à la fabrication des insecticides potagers et domestiques.

La section appropriée de l'Association a examiné le Bill et le rapport de l'Association Canadienne de Produits Chimiques Agricoles.

Il s'ensuit que l'Association des Chimistes Manufacturiers Canadiens de Spécialités fait savoir par la présente qu'elle donne son appui total à la position prise par l'Association Canadienne de Produits Chimiques Agricoles.

Veuillez agréer, cher Monsieur Beer, l'expression de nos sincères salutations.

[Texte]

The Chairman: Thank you, Mr. Chevalier.

Gentlemen the witnesses are now available for questioning. I have on my list Mr. Danforth and Mr. Gleave.

Mr. Danforth: Mr Chairman, am I to understand that we can take these questions as we see them and not necessarily in the order in which they are outlined in the submission?

The Chairman: I think you are at liberty to do that.

Mr Danforth: May I, through you, assure the witnesses this morning, Mr. Chairman, that any questions we pose are not in the nature of criticism, but with a sincere desire to elicit the information we seek. Thank you.

● 1005

My questions this morning deal with the submission regarding subclause 2 (a) and (b) of Clause 4. I can appreciate the contention of the witnesses that perhaps it is quite restrictive to control the formulation of products that are used for export, because it seems justifiable to believe that they would be subject to the controls of the country to which they are exported.

However I am not quite aware of the reasoning behind the reverse procedure where the companies submit that perhaps chemicals imported into this country should not be subject to the same licencings and controls as our Canadian products. Certainly the interpretation under subclause (2) (a) and (b) of Clause 4 is for the protection of both the users of the chemicals and the public. I am wondering what the reasoning is when they say that: The implementation of such control does not appear possible and, would restrict the availability of imported materials. Are there not some instances where the very thing we wish to do is restrict the availability of some of these materials until there is no doubt that they do meet Canadian standards?

Mr. Chevalier: I will start on this one and if I run into trouble I might ask for help.

I would suggest that the two situations are not quite the same. The export situation is a situation where we are suggesting that we should control the standards of importation of a foreign country. This is our interpretation of what is in the bill. The import situation is not quite the same unless I have misread your question and the bill, in that we are not objecting, in fact we are endorsing the concept of products coming in and being controlled, but we see an impracticability where there is an attempt to control the manufacturing establishment in a foreign country through means of, say, planned inspection. Our interpretation of the bill

[Interprétation]

Le président: Merci, monsieur Chevalier. Messieurs, vous pouvez poser des questions aux témoins. J'ai, sur ma liste, MM. Danforth et Gleave. Monsieur Danforth.

M. Danforth: Monsieur le président, dois-je comprendre que nous pouvons poser nos questions comme bon nous semble et non pas nécessairement dans l'ordre des points énoncés dans le mémoire?

Le président: Oui, je crois que vous êtes libres.

M. Danforth: Puis-je assurer les témoins de ce matin que les questions que nous allons poser ne sont pas des critiques, mais un effort sincère pour obtenir tous les renseignements que nous désirons? Merci.

J'ai une question qui a trait au paragraphe (2) a) et b) de l'article 4. Je comprends l'allégation des témoins que le contrôle de la composition de produits destinés à l'exportation peut constituer une restriction, car il semble justifiable de croire qu'ils seraient contrôlés par le pays dans lequel ils sont exportés.

Mais, je ne comprends pas du tout le raisonnement contraire, selon lequel les sociétés semblent croire que les produits chimiques importés dans notre pays ne devraient pas être réglementés comme les produits canadiens. L'interprétation des paragraphes (2) a) et b) de l'article 4 sont destinés à protéger à la fois les usagers et le grand public. Je me demande pourquoi ils disent que la réglementation de ces produits ne semble pas possible et ne restreindrait la quantité de matériaux importés. N'est-ce pas précisément ce que nous voulons faire parfois, de restreindre l'importation de ces matériaux jusqu'à ce qu'il n'y ait aucun doute qu'ils satisfassent aux exigences canadiennes?

M. Chevalier: Je pourrais peut-être tenter de vous répondre et si j'ai trop de difficultés, je demanderai de l'aide.

Les deux situations ne sont pas tout à fait identiques. Celle de l'exportation est une situation où nous prétendons que nous devrions contrôler les normes des importations d'un pays étranger. C'est notre interprétation du bill. Quant à l'importation, la situation est différente en ce que, si j'ai bien compris votre question, et le bill, nous ne nous opposons pas, nous appuyons en fait le principe du contrôle des produits importés. Mais ça nous semble plus pratique si l'on tente de contrôler le manufacturier d'un pays étranger, au moyen par exemple, d'une inspection systématique. C'est notre interprétation du bill. Il s'agit de l'examen

[Text]

is what is implied there. It is an examination, inspection, or a control situation in respect to a foreign establishment, a foreign manufacturing facility. The product, yes, but the manufacturing establishment, no. Is this your basic understanding of it, Dr. Cooper?

Dr. G. S. Cooper (President, Canadian Agricultural Chemicals Association): Yes, this was definitely my thinking. For your clarification and possibly our misinterpretation if we could put it as such, a company like ourselves would formulate or have formulated in the United States, we will say, a product which would be subsequently imported into Canada, and under this particular section, if we were to ship that or convey it from one province to the other, we would be in violation of this act, unless that particular manufacturing site had complied with the prescribed conditions and operated as such. Does this explain one of the points that we were discussing?

Mr. Danforth: Mr. Chairman, I can certainly appreciate how there could be some difficulty if this is the interpretation. I wonder if it was not the intent of this bill—and certainly we shall question our departmental officials on this very point—that we were more interested in the actual content and action of the chemicals themselves on being imported, rather than the establishments where they might be formulated or where primary production takes place.

• 1010

Dr. Cooper: Well, sir, this is a point. Without the right of appeal the intent is always good. However, the interpretation of the intent is sometimes very restricting, and this is one reason why we wish to have included the right of appeal. Now I am aware of intent in many, many acts and many bills. However, it is the interpretation of the intent at a much later date. Hopefully this act will be in for many years, as was the previous one. However, I do not like to see intent left without some limitation or explanation put on the intent. Without the right of appeal it is our feeling that (2) could be misconstrued in the future which would restrict a bonafide Canadian subsidiary of an American company moving products which were manufactured under their standards, and which should be acceptable to Canada from one province to another.

Mr. Danforth: Thank you, Mr. Chairman. If I may return to questioning, I will pass.

The Chairman: Thank you. I recognize Mr. Gleave.

Mr. Gleave: Mr. Chairman, are there any government checks or inspections now in effect at chemical plants in Canada?

The Chairman: Dr. Cooper?

[Interpretation]

ou l'inspection d'une entreprise étrangère. Nous sommes d'accord pour contrôler le produit mais non pas l'entreprise. N'est-ce pas votre avis, M. Cooper?

M. Cooper (Président, Association canadienne de produits chimiques agricoles): Monsieur Chevalier, c'est ce que je crois moi aussi. Si nous avons bien compris, une société comme la nôtre aurait mis au point aux États-Unis, par exemple, un produit qui serait par la suite importé au Canada. En vertu de cet article particulier, si nous devons le transporter d'une province à l'autre, ce serait une infraction à la Loi, à moins que le lieu de fabrication ait satisfait aux exigences et y ait plié son exploitation. Est-ce que cela explique le point en cause?

M. Danforth: Je comprends que, si c'est la bonne interprétation, il y aura certainement des difficultés, mais je me demande si c'était là l'intention du bill—et nous allons certainement nous renseigner auprès de nos fonctionnaires à ce sujet—mais je me demande si nous n'étions pas plus intéressés à la teneur même et l'action du produit chimique que l'on importe plutôt qu'à l'entreprise où les produits étaient fabriqués initialement.

M. Cooper: Sans le droit d'appel, l'intention est toujours bonne. Toutefois, l'interprétation de l'intention du Bill est parfois très restreignante et c'est une des raisons pour lesquelles nous désirons introduire le droit d'appel. Je comprends l'intention que l'on trouve dans plusieurs mesures législatives, mais il s'agit d'une interprétation subséquente. La Loi sera vraisemblablement en vigueur pendant un certain nombre d'années, tout comme son prédécesseur. Je n'aime donc pas qu'on laisse l'intention passer sans explication ou restriction. Et, sans le droit d'appel, nous avons l'impression qu'on a mal interprété le paragraphe (2) plus tard afin d'empêcher une filiale canadienne d'une usine américaine de transporter d'une province à l'autre les produits qu'elle aura fabriqués selon leurs normes et qui seraient acceptables au Canada.

M. Danforth: Merci, monsieur le président, si l'on me permet de poser une question plus tard, je m'abstiendrai pour l'instant.

Le président: Monsieur Gleave.

M. Gleave: Monsieur le président, quelles sont les mesures de contrôle du gouvernement canadien ou quelles sont les inspections en vigueur à l'heure actuelle aux usines de produits chimiques au Canada? Est-ce qu'il y en a?

Le président: Monsieur Cooper?

[Texte]

Dr. Cooper: Are you talking about quality, sir, or conditions?

Mr. Gleave: I am talking about quality in total. To put it in simple language, I assume you people represent companies which are now manufacturing chemicals that are distributed in Canada. At the present time what government inspections, checks or analyses are made in your plants of the products you are selling?

Dr. Cooper: At the present time, so far as quality is concerned, there is no plant inspection per se. However, under the Plant Products Division the government does have a number of inspectors who pick up our products from time to time, which are then forwarded to the government analyst, who in turn will ascertain whether or not these materials meet guarantee. If they fall below guarantee, they are then quarantined or disposal must be made of them by the company to the satisfaction of the Plant Products Division.

Mr. Gleave: If a plant brings out a new formulation which is essentially a new product, is this new product checked out or is it submitted to the appropriate agencies for a quality check?

Dr. Cooper: Yes, sir. When a formulation change is made we notify the registration people, and if it is a completely different formulation we will obtain a specific registration covering that particular formulation. For example, a wettable powder, an emulsifiable concentrate or a granular material will be registered separately.

Mr. Gleave: I asked a question of one of the government witnesses the other day in regard to the labelling of formulations. For example, when we use a chemical on the farm it has a brand name. It is sometimes difficult to know just exactly what we are using, if you understand what I mean.

I would be interested in knowing if we can simplify this by using—and I do not know if the term applies—the generic or foundation name of the base chemical from which it comes. I forget how many hundred there were, but I was told there were two or three hundred different names that could be used and, of course, this makes it impossible for an ordinary individual who is using it in spraying weeds or insects to know what basic chemical he is using. Is it possible for this to be simplified in terms of labelling so that a farmer would know if he was using an ester formulation or a saline formulation, and so on, and come to a conclusion as to the type of chemical he was really using?

● 1015

I do not know if I have made myself clear, but I am trying to do so.

[Interprétation]

M. Cooper: Est-ce que vous parlez de qualité ou de condition?

M. Gleave: Je parle de la qualité dans son ensemble. Pour simplifier la question, je présume que vous représentez des usines ou des compagnies qui fabriquent à l'heure actuelle des produits chimiques distribués dans tout le Canada. Ce que je vous demande c'est, à l'heure actuelle, quelles sont les inspections ou les contrôles ou les analyses de la part du gouvernement faites dans vos usines à l'heure actuelle sur les produits que vous vendez?

M. Cooper: A l'heure actuelle, il n'y a pas d'inspection de l'établissement en ce qui concerne la qualité mais à la division de la réglementation des produits, il y a un certain nombre d'inspecteurs qui, de temps à autre, prennent nos produits qui sont ensuite envoyés à l'analyste du gouvernement qui, à son tour, détermine si oui ou non on peut garantir le produit. Sinon, on les met en quarantaine et la compagnie doit prendre les mesures voulues pour satisfaire aux exigences de la division de la production des plantes.

M. Gleave: Si vous deviez obtenir une nouvelle formule qui, en fait, se trouve à être un nouveau produit, est-ce que ce nouveau produit est vérifié ou est-il présenté ou soumis au gouvernement afin d'être vérifié ou contrôlé, quant à la qualité?

M. Cooper: Si nous faisons des changements de formule, nous prévenons l'enregistrement et si la formule est tout à fait différente, nous obtiendrons un enregistrement spécial pour la nouvelle formule. Cela pourrait être une poudre, un concentré à émulsion ou un produit granulaire et qui serait enregistré séparément.

M. Gleave: J'ai posé la question au fonctionnaire du gouvernement l'autre jour en ce qui concerne l'étiquetage des produits. Lorsque nous employons ces produits sur la ferme, nous trouvons une marque de commerce. Il est parfois difficile de savoir exactement ce que nous employons si vous me comprenez bien.

Ce que j'aimerais savoir c'est: est-ce que nous pourrions simplifier toute la procédure en employant les termes génériques ou le nom de base du produit chimique d'où il provient. On m'a dit, j'oublie maintenant, qu'il y avait 200 ou 300 noms différents qu'on pourrait employer et cela rend impossible pour un particulier qui l'emploie comme produit antiparasitaire de savoir exactement quel produit chimique il emploie. Serait-il possible de simplifier la chose du point de vue de l'étiquetage afin que le cultivateur sache s'il emploie une formule saline ou autre et en arriver à une conclusion quant aux produits chimiques qu'il emploie? Je ne sais pas si c'est clair.

[Text]

Dr. Cooper: I believe I understand your question, sir, and to be practical I could answer it in two ways. Theoretically what you are asking should be possible; practically speaking it is not, or will not be simply because the generic names that are being assigned to our newer chemicals are completely asinine. They are getting worse than the chemical names themselves. If we are to accept these unholy names that are being foisted upon us—I am now speaking of the public—as generic names, then this defeats the whole purpose. It is better to have a common name which is understood by the public than to use a generic name which is meaningless.

Unfortunately, companies will develop compounds for which there is no generic name. We use the chemical name and the trade name, and many times the trade name becomes the accepted name by the public. I have always been a little bit hesitant about changing from an accepted trade name to a generic name which is meaningless so far as the public is concerned. Can we overcome this? I say we cannot, and for the simple reason that a common name is not given until long after the product has been offered for sale because this name has to be accepted by the International Common Names Committee, and they are slower than the proverbial snail in getting around to assigning names.

We are asked to submit three or four names that could be used as common names. However, recently even the names that the companies do submit are being disregarded, and I feel that it is not a practical thing to put a generic or common name on a compound. It would probably be better to approach it from a different aspect so that all of the product that is made up from that given compound gets that one name, a simple, meaningful name, and not a generic or common name.

I can give you a good example of this. There is a product that is used in the fungicide field called Cyrex. This is a trade name. However, the International Common Names Committee gave it the name Dodine and that name was given long after the product Cyrex was on the market.

Most of the growers today know Cyrex but not many of them know Dodine. The same thing applies to Malathion. Malathion was a trade name until the company was asked to give up the trade name and use Malathion as the common name. This has worked extremely well, but unfortunately it is not always the case that a company has the opportunity of giving up a trade name to become a common name, and keep the product known by the name which was the original trade mark name. However, I cannot see in this matter of labelling that we are going to solve a great deal by going to the common names. Have I answered your question?

[Interpretation]

M. Cooper: Je crois comprendre votre question et pour être pratique je pourrais y répondre de deux façons: tout d'abord, en théorie, ce que vous demandez devrait être possible. Du point de vue pratique, toutefois, il ne l'est pas ou ne le sera pas tout simplement parce que le terme générique que l'on assigne au nouveau produit chimique est fou sinon pire que les noms des produits chimiques eux-mêmes. Si nous devons accepter tous ces noms stupides que l'on fait savoir au public, cela ne serait pas conforme à notre objectif; il vaudrait mieux avoir une expression commune ou ordinaire qui serait comprise par le public plutôt que d'employer le terme générique qui ne serait pas compris.

Malheureusement, les compagnies fabriquent des composés pour lesquels il n'y a pas de terme générique. Nous employons la marque de commerce et parfois, la marque de commerce devient l'expression acceptée par le grand public. J'ai toujours hésité à passer d'une marque de commerce à un terme générique qui n'a aucun sens pour le public. Est-ce que nous pourrions contourner ces difficultés? Je prétends que non pour le simple fait qu'un nom ordinaire n'est pas donné jusqu'à ce que le produit ait été mis en vente pendant un long moment, une longue période car le nom doit être accepté par le comité qui détermine les expressions et qui prend son temps.

On nous demande de présenter trois ou quatre noms que l'on pourrait employer comme terme ordinaire mais tout récemment, même ces noms présentés par les compagnies sont laissés de côté. Je crois donc que cela ne serait pas pratique de mettre une expression générique ou un nom commun sur un composé. Ce serait peut-être préférable de le faire d'une façon différente ou d'un autre point de vue. Par conséquent, tous les produits formés de ces composants devraient avoir un nom différent et non pas un nom commun ou un nom générique.

Je pourrais vous donner un exemple, un bon exemple d'un produit employé dans le domaine des fongicides qu'on appelle «Cyrex». C'est la marque de commerce. Toutefois, le comité l'a appelé «Dodine» et ce nom lui a été attribué bien après que le produit eut été mis en vente.

La plupart des cultivateurs connaissent le «Cyrex» tandis qu'ils ne connaissent pas l'autre nom. Même cas pour Malathion, qui était une marque de commerce jusqu'à ce qu'on ait demandé à la compagnie d'abandonner cette marque de commerce et de l'employer comme nom commun. Cela a très bien marché mais malheureusement, ce n'est pas toujours le cas. Une compagnie n'a pas toujours l'occasion d'abandonner une marque de commerce qui devient un nom commun et de continuer à faire connaître le produit sous ce nom qui était autrefois la marque de commerce. Je ne pense pas que dans l'étiquetage nous résolvions les problèmes en adoptant des noms communs. Est-ce que j'ai répondu à votre question?

[Texte]

Mr. Gleave: You have answered it, Mr. Chairman, fairly enough. You said that what I suggest is impossible.

The Chairman: Mr. Gleave, would you yield for a supplementary or do you wish to proceed?

Mr. Gleave: Yes, as a matter of courtesy, if I can come back to my question.

The Chairman: Mr. Roy.

M. Roy (Laval): J'ai une question supplémentaire au sujet de l'identification des produits. La tendance actuelle des compagnie n'est-elle pas de plus en plus de vous demander l'étiquetage privé? Si oui, qui alors va faire les inspections et les travaux de contrôle de qualité au niveau du distributeur, du producteur et du consommateur?

De plus en plus, on remarque qu'une compagnie ou une association exige un produit, par exemple, le Cyprex dont vous avez parlé tantôt. Est-ce qu'on demande également de donner à ce produit une marque de commerce propre, un étiquetage privé quelle que soit la compagnie?

● 1020

The Chairman: Dr. Cooper?

Mr. Roy (Laval): I can ask my question in English, if you wish.

Dr. Cooper: If you would. I missed part of it. You were asking about...

Mr. Roy (Laval): Private label control. Is it actually the trend now that the company asks for private labelling of the specific product that they sell?

Dr. Cooper: Do we ask for the name?

Mr. Roy (Laval): Yes. Does the company ask you to manufacture some specific product under their own label? What happens there on the quality control as between the distributor and the consumer?

Dr. Cooper: You mean if a company wished to have a product manufactured by us, we will say, under their label.

Mr. Roy (Laval): On their own label?

Dr. Cooper: If we are manufacturing under somebody else's label, they are the registrant; we are not. We would manufacture for them and we would meet the specifications that they laid down when they registered the product. They would have to register the product, and as the registrant they must accept full responsibility of that product if it is found to be deficient by the inspectors.

[Interprétation]

M. Gleave: Vous y avez répondu. Vous avez dit que c'était impossible.

Le président: Voulez-vous renoncer à le parole pour une question supplémentaire, monsieur Gleave, ou voulez-vous continuer?

M. Gleave: Oui, certainement, à condition de pouvoir revenir à mon propos.

Le président: Monsieur Roy.

Mr. Roy (Laval): I have a supplementary question regarding the identification of products. At the present time, is there not a greater tendency for companies to seek a private label? If so, who then carries out the inspections and various procedures for quality control at the distributor, producer and consumer levels?

Increasingly we see that a company or an association demands a product like Cyprex, for instance, that you were mentioning a little while ago. Does one also request to give this product a trade-mark of its own, a private label, whatever the company may be?

Le président: Monsieur Cooper?

M. Roy (Laval): Je peux poser ma question en anglais, si vous voulez.

M. Cooper: S'il vous plaît. Je n'ai pas tout à fait compris votre demande.

M. Roy (Laval): Est-ce la tendance à l'heure actuelle que la compagnie demande l'étiquetage privé pour le produit que vous vendez?

M. Cooper: Est-ce que nous demandons le nom?

M. Roy (Laval): Oui. Est-ce que la compagnie vous demande de fabriquer sous sa propre étiquette? Qu'est-ce qui arrive en vertu du contrôle de la qualité?

M. Cooper: Vous voulez dire si une compagnie voulait nous faire fabriquer un produit, disons, avec leur propre étiquette?

M. Roy (Laval): Sous leur propre marque?

M. Cooper: Si nous fabriquons un produit sous la marque d'une autre société, c'est elle qui le fait enregistrer pas nous. Nous fabriquerions le produit pour eux, en respectant les exigences établies au moment de l'enregistrement du produit. C'est eux qui font enregistrer le produit, et ils doivent donc accepter toute responsabilité pour ce produit si les inspecteurs le trouvent défectueux.

[Text]

We must keep our manufacturing specifications exactly to what that company has requested, for if we fail and they are found delinquent in their product, then they can counter-sue us as we did the manufacturing for them. We would become the party of the second part in a law suit.

Mr. Roy (Laval): Does the company make the registration or you?

Dr. Cooper: The company that wants to sell the material must become the registrant, if it is going to be under their own label. If it is our product, then they can only distribute for us and we are the registrant.

Mr. Roy (Laval): To get back to Mr. Gleave's question. If we put on the label the ingredients used in this product, the consumer can find exactly the same product under different labelling, but the popularity of the product will depend on the publicity that you give it.

Dr. Cooper: Right.

Mr. Roy (Laval): I think at the consumer level, that is important. There are a lot of similar products being sold, and a lot depends on the publicity that you give it.

Dr. Cooper: But do not forget that most of—

Mr. Roy (Laval): It would be a good thing for the consumer to know the ingredients.

The Chairman: Thank you, Mr. Roy. I think we should return to Mr. Gleave.

Mr. Gleave: I will move on at this point, but I would point out to these gentlemen that our problem in Western Canada, and I am a farmer, is that we have a lot of salesmen selling us these chemicals, and each one is pushing a product.

Our problem is to find out what is in the product so as to be able to make an intelligent decision as to what we should use. I would say, with all due respect, you should concern yourselves with assisting the farmer to make an intelligent decision.

I would like to ask a question on your representation regarding the imports of chemicals. You say, in your brief, and I suppose you are quite justified, that it is impractical for Canadians to say they are going to put inspectors in plants in, let us say, Great Britain or the United States, from where we import. There may be others for all I know. What control is there, for example, on the weed control chemicals we import from England? Are there any controls on this or is it just the same thing as you have described before? Somebody here picks up a can, and looks at what is in

[Interpretation]

Nous devons nous en tenir aux exigences précises de la société quant à la fabrication, car, si nous ne le faisons pas, et que les inspecteurs trouvent le produit défectueux, la société peut alors à son tour tenter un procès contre nous, étant donné que nous avons fabriqué le produit pour elle. Nous serions alors impliqués au second titre dans un procès.

M. Roy (Laval): Est-ce la société, qui enregistre le produit, ou vous?

M. Cooper: La société qui veut vendre le produit doit l'enregistrer elle-même, si elle le vend sous sa marque. Si c'est notre produit, la société ne peut alors que le distribuer, et c'est nous qui l'enregistrons.

M. Roy (Laval): Pour en revenir à la question de M. Gleave. Si nous indiquons sur l'étiquette les ingrédients du produit, les consommateurs pourraient trouver exactement le même produit sous d'autres marques de commerce, mais le succès du produit dépend de la publicité que l'on fait en sa faveur.

M. Cooper: C'est vrai.

M. Roy (Laval): Je crois qu'au niveau du consommateur, c'est important. Il se vend beaucoup de produits identiques, et beaucoup dépend de la publicité qu'on leur fait.

M. Cooper: Mais n'oubliez pas que la plupart des...

M. Roy (Laval): Ce serait une bonne chose que le consommateur pût connaître les ingrédients.

Le président: Merci, monsieur Roy. Je crois que nous devrions revenir à M. Gleave.

M. Gleave: Je vais m'éloigner de ce point, mais j'aimerais signaler à ces messieurs que le problème que nous avons dans l'Ouest du Canada—et je suis moi-même agriculteur—c'est que nous avons beaucoup de vendeurs qui nous vendent ces produits chimiques, et que chacun essaie de placer un produit particulier.

Le problème que nous avons, c'est de découvrir quels sont les ingrédients des produits, afin d'en arriver à une décision intelligente quant au produit à utiliser. Je dirais donc que vous devriez vous soucier d'aider l'agriculteur à prendre une décision intelligente.

J'aimerais poser une question au sujet de vos réflexions en ce qui concerne l'importation de produits chimiques. Vous dites dans votre mémoire, et je suppose que vous avez raison qu'il est insensé de dire que les Canadiens vont placer des inspecteurs dans des usines, disons, d'Angleterre ou des États-Unis, ou de tout autre pays duquel nous importons des produits. Quel contrôle exerce-t-on, par exemple, sur les herbicides que nous importons d'Angleterre? Exerce-t-on un contrôle sur ces produits ou est-ce la situation que vous venez de décrire? Est-ce que quelqu'un ici exami-

[Texte]

the can, or before a country exports a product to Canada, do they send an analysis of it to the Department of Agriculture and say, "This is what is in the product we are going to send to Canada"?

● 1025

The Chairman: Dr. Cooper?

Dr. Cooper: I do not believe so, sir, for the simple reason that if we are going to bring in a compound from Great Britain, we would register the product under our name, and we would register what that formulation is.

As far as the manufacturer is concerned, he would only manufacture to our specifications. Again we have a check on him, and if we are found delinquent, we would then go back and take legal action against the manufacturer of that substance. Therefore, his responsibility to Canada is nil in some respects, although his responsibility to us is still great, in that he must manufacture according to our specifications. In so doing we are accepting the full responsibility for that product in Canada.

If the British company wishes to sell its material in Canada, it must also register it in the same way as a Canadian company. So, there is no difference here that I can see. It is still the registrant who must accept the responsibility. It is to the advantage of a registrant to make sure that his supplier is manufacturing to his specifications.

Mr. Gleave: Then if I get the picture, the testing of the Department of Agriculture is usually done after the product is out in the field and people are using it, rather than before it goes out in the field: am I correct?

Dr. Cooper: To the best of my knowledge, this is correct, yes, sir.

Mr. Gleave: So that a product could be released, it could go out and unfortunate things could happen before a check was made?

Dr. Cooper: This can always happen, sir, in life. I do not care if you are driving a new car, or if you are talking about a pesticide, or about the chairs that you sit on, something can go wrong. We do not deny this. We try to restrict this but no matter what we do, we will never solve all the problems that might arise. We do a good job with our quality control, but as you say, I do not care what legislation we pass, you are never going to get the 100 per cent protection that you are talking about.

[Interprétation]

ne ce qui se trouve à l'intérieur de l'emballage, ou est-ce que le pays étranger qui exporte le produit au Canada envoie auparavant une analyse du produit au ministère de l'Agriculture en donnant les ingrédients du produit qu'il va exporter au Canada?

Le président: Monsieur Cooper?

M. Cooper: Je ne le crois pas, monsieur, pour la simple raison que si nous importons un composé de Grande-Bretagne, nous enregistrons le produit sous notre nom, ainsi que ses ingrédients.

Quant au fabricant, il fabrique le produit d'après nos exigences précises. Encore une fois, nous pouvons le contrôler et, si le produit est défectueux, nous pouvons nous en prendre au fabricant et tenter des poursuites contre lui. Sa responsabilité envers le Canada est donc nulle à certains égards, bien que sa responsabilité envers nous soit encore très grande, puisqu'il doit fabriquer le produit selon nos exigences. Ainsi, nous acceptons la pleine responsabilité du produit au Canada.

Si la société britannique veut vendre son produit au Canada, elle doit aussi le faire enregistrer, tout comme doit le faire une société canadienne. Je ne peux donc voir là aucune différence. C'est toujours celui qui fait enregistrer le produit qui en accepte la responsabilité. Dans son propre intérêt, la personne qui fait enregistrer un produit doit veiller à ce que son fournisseur le fabrique selon les exigences qu'elle lui a posées.

M. Gleave: Donc, si je comprends bien, les essais du ministère de l'Agriculture se font, d'habitude, une fois que le produit est sur le marché et que les gens l'emploient, plutôt qu'avant la mise en vente. Est-ce exact?

M. Cooper: Pour autant que je sache, monsieur, oui, c'est exact.

M. Gleave: Donc, un produit pourrait être mis en vente et des choses malheureuses pourraient se produire avant que la vérification n'eût été faite?

M. Cooper: Ce sont des choses qui arrivent, monsieur. Qu'il s'agisse d'une nouvelle voiture, d'un produit antiparasitaire ou du fauteuil dans lequel vous êtes assis, il peut toujours y avoir quelque chose de défectueux. Nous ne nions pas cela. Nous essayons de limiter les défauts possibles, mais quoi que nous fassions, nous ne pourrions jamais résoudre tous les problèmes qui pourraient se poser. Nous faisons de notre mieux dans notre contrôle de la qualité, mais, comme vous le dites, peu importe les mesures législatives adoptées, vous n'obtiendrez jamais la protection à 100 p. 100 dont vous parlez.

[Text]

Mr. Gleave: Mr. Chairman, I was not talking of 100 per cent protection. I was talking about the method of protection we are using, and what I am interested in is whether these products are licensed, checked out before they are licensed, or whether they are checked out after they have gone into distribution. This is my point.

I have lived a fair while too, and I know that you do not protect yourself against everything. However, I am interested in quality control and the point at which it happens.

Dr. Cooper: Every formulation that we make or are responsible for is checked out with supporting data and so forth, and a decision is made as to whether this product shall be permitted to be sold or not. This is the registration, right?

Mr. Gleave: Who makes the decision? Does any inspection enter in at this point where the decision is made?

Dr. Cooper: Inspection no, but a discussion must come into it, because we must submit what our formulation is and what will be in there.

Mr. Gleave: To whom?

Dr. Cooper: To the Department of Agriculture.

Mr. Gleave: I see. On every product before it is released you must submit specifications.

The Chairman: And samples.

Dr. Cooper: Samples if required, yes, sir. We usually supply samples to the research stations and so forth, so that the data that is being gathered is based upon that formulation.

The Chairman: Thank you, Mr. Gleave. Mr. Horner?

• 1030

Mr. Horner: Yes, my questions concern Clause 9 and in your brief you are concerned about the right of appeal. Under Clause 9, supposing your product was taken off the market, and held off the market, could you not take legal action against the government or against the inspectors if you felt that your product was unjustly held off the market?

Dr. Cooper: There is nothing here which would lead me to believe that I could take such action. I would have to sue the Crown, and this would be an extremely difficult thing to do unless there is a right of appeal. We may not wish to sue. All we are asking for is the right to go before an independent board to verify a decision.

[Interpretation]

M. Gleave: Monsieur le président, je ne parlais pas de protection à 100 p. 100. Je parlais plutôt de la méthode de protection que nous employons. Ce qui m'intéresse, c'est de savoir si ces produits sont vérifiés avant la délivrance d'un permis ou s'ils sont vérifiés une fois qu'ils ont été mis en vente. C'est là ce dont je voulais parler.

Je ne suis pas jeune, moi non plus, et je sais bien qu'il est impossible de se protéger complètement. Je m'intéresse, toutefois, au contrôle de la qualité, et au moment où il se fait.

M. Cooper: Chaque formule que nous fabriquons ou dont nous sommes responsables est vérifiée, avec les données voulues à l'appui, et l'on décide d'autoriser ou non la vente du produit. Il s'agit ici de l'enregistrement. Entendu?

M. Gleave: Qui prend la décision? Est-ce qu'une inspection est faite à ce moment-là?

M. Cooper: Il n'y a pas d'inspection, non, mais il y a une discussion, car nous devons soumettre notre formule et en donner les ingrédients.

M. Gleave: A qui?

M. Cooper: Au ministère de l'Agriculture.

M. Gleave: Je vois. Donc, avant qu'un produit soit mis en vente, il faut que vous en soumettiez les ingrédients.

Le président: Et des échantillons.

M. Cooper: Si on nous les demande, oui. Nous fournissons généralement des échantillons aux laboratoires de recherches, de manière que les données rassemblées se fondent sur cette formule.

Le président: Merci, monsieur Gleave. Monsieur Horner?

M. Horner: Je voudrais poser une question au sujet de l'article 9. Vous semblez, dans votre mémoire, vous soucier du droit d'appel. En vertu de l'article 9, si votre produit était retiré du marché, est-ce que vous ne pourriez pas intenté un procès contre le gouvernement ou contre les inspecteurs mêmes? Si vous trouvez que votre produit a été saisi injustement.

M. Cooper: Il n'y a rien ici qui me laisse croire que je puisse intenté un tel procès. Il faudrait que j'intente un procès à la Couronne, n'est-ce pas? Ce qui serait extrêmement difficile, à moins qu'il y ait un droit d'appel. Nous voudrions peut-être ne pas le faire, mais tout ce que nous demandons c'est le droit de nous présenter devant un tribunal indépendant pour vérifier la décision prise.

[Texte]

You are going one step further than we wish to go. We possibly could initiate suit against the Crown, but we would prefer to have a board of arbitration or a board of appeal, rather than resort to a court of law for every little thing that goes on.

Mr. Horner: Am I interpreting Clause 9 in the correct manner when I believe that under it the Crown could not hold a product off the market longer than six months without stating reasons or justifying such action?

Dr. Cooper: No, it is six months or:

... unless before that time proceedings have been instituted in respect of the violation in which event the control product may be detained until the proceedings are finally concluded.

Mr. Horner: They are talking of court proceedings there, are they?

Dr. Cooper: Yes.

Mr. Horner: This is really the only way they envision your appeal. It would be to the courts. Am I right?

Dr. Cooper: Yes. We would be guilty. If it got this far, we would not have a hope. We would have to go to court and fight.

Dr. Horner: You would be guilty until you were proven innocent.

Dr. Cooper: Right.

Mr. Horner: Until you proved yourselves innocent.

Dr. Cooper: Right.

Mr. Horner: And actually you believe the direct opposite, that you are innocent until you are proven guilty.

Dr. Cooper: No, I certainly do not. I believe, though, that I should have the right to ask an inspector why he is holding this, what his justifications are. He can come in and red-tag my material for six months. This may be a very crucial period of time.

This inspector may not like the colour of my eyes, or my tie. And do not forget, we are all human beings. He could theoretically—I am not saying he would, but he could theoretically—put a red tag on that material and it could not be sold. It is a detention, so we could not do a thing about it. He can do that for six months, which would be long past the selling season. And it may be found that there is nothing wrong with it. Do you follow me?

[Interprétation]

Vous allez un peu plus loin que nous. Il serait peut-être possible d'intenter un procès contre la Couronne, mais nous préférons avoir un tribunal d'arbitrage ou un tribunal d'appel, plutôt que d'avoir recours à un tribunal, pour tout ce qui se passe.

M. Horner: Est-ce que j'ai bien interprété l'article 9, si je comprends qu'en vertu de cet article la Couronne ne pourrait saisir un produit pour plus de six mois sans justification?

M. Cooper: Non, six mois ou:

A moins que, avant cela, des procédures n'aient été instituées auquel cas le produit relativement à la contravention, antiparasitaire peut être retenu jusqu'à la fin des procédures.

M. Horner: On y parle de procédures judiciaires, n'est-ce pas?

M. Cooper: Oui.

M. Horner: Si c'est vraiment le seul moyen d'envisager votre affaire, ce serait auprès d'un tribunal, n'est-ce pas?

M. Cooper: Nous serions coupables si on en arrivait à ce point-là, nous n'aurions aucune chance. Nous devrions plaider devant le tribunal.

M. Horner: Vous seriez coupables jusqu'à ce qu'on prouve le contraire.

M. Cooper: En effet.

M. Horner: Vous seriez coupables jusqu'à ce que vous prouviez vous-mêmes que vous êtes innocents.

M. Cooper: En effet.

M. Horner: Et, en fait, vous croyez juste le contraire, que vous êtes innocents jusqu'à ce qu'on prouve votre culpabilité.

M. Cooper: Je crois que je devrais avoir le droit de demander à un inspecteur pourquoi il retient ce produit, quelles sont ses justifications. Il peut retenir mon produit pendant six mois. C'est peut-être à un moment très important, très délicat. L'inspecteur n'aime peut-être pas la couleur de mes yeux ou de ma cravate. Mais n'oublions pas que nous sommes des êtres humains. Il pourrait, en théorie—je ne dis pas qu'il le ferait en pratique—mais, en théorie, il pourrait retenir mon produit, mon matériel et on ne pourrait le vendre. C'est une retenue. Nous ne pourrions absolument rien y faire. Il peut le faire pendant six mois. Ce qui dépasserait de beaucoup la saison de vente et ensuite on pourrait fort bien trouver qu'il n'y a rien de mal chez le produit. Est-ce que vous comprenez?

[Text]

Mr. Horner: Yes.

Dr. Cooper: Or we may challenge the finding of the analyses of a lab, and find out that the lab made a mistake. Do not forget that we are all human, and labs are labs, and they also make mistakes. Fortunately our government laboratory is an excellent one, and we have wonderful co-operation with them, and we have no problems.

Do not get me wrong. All we are talking about is the possibility, and black and white can be interpreted in many ways. All we are saying is that we have no immediate problem, but let us make this as concise for the future as possible. And the right of appeal, I feel, should go in.

Mr. Horner: But do you not feel you would have, in a sense, the right of appeal. Let us suppose that an inspector did not like the colour of your eyes and red-tagged your product, do you not think you could then appeal to the Minister and to the Department, in a sense go over the inspector's head and get a fair hearing that way?

Dr. Cooper: You are supposing we could. There is nothing here that tells me I can do this, and this is an Act, is it not? Why is it not in here?

Mr. Horner: You would suggest then that we add a paragraph (d) to that clause, granting the right of appeal. How would you formulate an independent body? It would have to be a chemist, would it not? It would have to consist of . . .

Dr. Cooper: As long as you have the intent in the Act, its makeup can be arranged. It can be made up of two or three members of the Department of Agriculture. I am not too concerned about the makeup. What I am concerned about is the right of appeal, to get certain things straightened out. Do you follow me? We are not asking for anything that is . . .

Mr. Horner: No, I quite agree with you, Dr. Cooper, but I want to pursue the thing until the Committee fully understands what point you are trying to make, and whether or not you have got an appeal or have not. And that is why I am asking these questions. I agree that it should be there, but I wanted to fully solicit the exact workings of the Act, in seeing whether or not you have no right of appeal.

● 1045

Mr. Howard (Okanagan Boundary): Who makes the original inspections or decisions on the part of the government?

Dr. Cooper: You are talking about the registration of the product?

Mr. Howard (Okanagan Boundary): If a product were to be red-tagged, as you say, who makes the decision? Who does the chemical analysis of the product?

[Interpretation]

M. Horner: Oui.

M. Cooper: Ou on pourrait mettre en doute les décisions ou les données d'un laboratoire et trouver que le laboratoire s'est trompé—nous sommes tous des êtres humains, comme je l'ai dit, ils peuvent se tromper eux aussi. Nous avons beaucoup de collaboration de la part du gouvernement et de son ministère de l'Agriculture.

Ne vous trompez pas. Tout ce dont nous parlons, ici, c'est de la possibilité; quand c'est écrit, il y a moyen de l'interpréter de plusieurs façons. A l'heure actuelle, nous n'avons pas de problèmes immédiats, mais nous voudrions voir inclure le droit d'appel.

M. Horner: Est-ce que vous n'auriez pas, dans un sens, un droit d'appel? Supposons qu'un inspecteur, en fait, n'aime pas la couleur de vos yeux, et qu'il retienne votre produit, est-ce que vous ne pourriez pas en appeler au ministre et au ministère? Par conséquent, aller par dessus la tête d'un inspecteur pour obtenir une décision juste.

M. Cooper: Vous supposez tout cela, mais il n'y a rien dans la loi qui dit que je puis le faire.

M. Horner: Vous proposez donc que nous ajoutions un alinéa d) vous donnant droit d'appel. Et alors, comment entrevoiez-vous un tribunal indépendant? Il s'agirait de chimistes indépendants?

M. Cooper: Aussi longtemps que vous avez cette intention dans la loi, les modalités peuvent être décidées par, par exemple, deux ou trois fonctionnaires du ministère de l'Agriculture. Peu m'importe la façon. Ce qui m'importe, c'est le droit d'appel pour essayer d'en arriver à une décision juste. Vous me comprenez? Nous ne demandons rien d'extraordinaire.

M. Horner: Je suis tout à fait d'accord, docteur Cooper, mais je voulais poursuivre sur ce point jusqu'à ce que le Comité comprenne bien ce que vous voulez dire, et comprenez si, oui ou non, vous avez le droit d'appel. C'est la raison pour laquelle je pose ces questions. Je suis d'accord qu'on devrait l'inclure. Je voulais savoir exactement de quelle façon on applique la loi, pour voir si oui ou non vous avez le droit d'appel.

M. Howard (Okanagan-Boundary): Est-ce que je pourrais demander qui fait l'inspection originale ou qui prend la décision originale de la part du gouvernement?

M. Cooper: Est-ce que vous parlez de l'enregistrement du produit?

M. Howard (Okanagan-Boundary): Si on devait retenir un produit, comme vous le dites, qui en fait l'analyse chimique, qui prend la décision?

[Texte]

Dr. Cooper: I am not an authority on the business, although I probably know what happens. An inspector is free to walk into any establishment and obtain a sample of a registered product which has a pest control product number, which is necessary before a company can offer a pesticide for sale. He can take a sample of that pesticide. Usually he will purchase it—a nominal amount, a small amount—and a sample is taken and forwarded to the government laboratories where the federal analysts will then analyse the sample to see whether it meets the guarantee. If it does not, then we are notified and the material is detained, put under detention.

Mr. Howard (Okanagan Boundary): If you had a different product, would it go to the same analyst? Do all products that are examined go to the same analyst?

Dr. Cooper: They go to the same laboratory.

Mr. Howard (Okanagan Boundary): And there are a number of analysts in the laboratory?

Dr. Cooper: Oh, yes, there will be a number there. I am sure that they have one or two that do specific groups or family groups because of the complication or the high degree of skill that is necessary. One or two would do one group of compounds, or even one compound, because you would not have all your chemists trained to do some of these compounds.

Mr. Howard (Okanagan Boundary): So there are a number of specialists involved in covering a whole range of products. All of the products on the market would require a whole stable of specialists.

Dr. Cooper: Yes.

Mr. Howard (Okanagan Boundary): In other words, if you had an appeal board you would have to have an equivalent stable. In fact you would have to have a complete duplication of the present facilities in order to have an appeal board, would you not?

Dr. Cooper: No, not necessarily. An appeal board would be made up of only a very small number of people who would, in their good judgment, decide whether the action was correct and proper.

Mr. Howard (Okanagan Boundary): You would not have to do a special chemical analysis?

Dr. Cooper: Oh, no. We are not challenging the report of the lab. We do request, and we have received excellent co-operation from the lab. If they take a sample of a product and find that it is deficient, we will question or ask for part of that

[Interprétation]

M. Cooper: Je ne suis pas une autorité en la matière, bien que je sache ce qui se passe. Un inspecteur peut se présenter à n'importe quel établissement et obtenir un échantillonnage d'un produit enregistré qui porte un numéro d'enregistrement absolument nécessaire avant de pouvoir vendre un produit. Il peut donc prélever un échantillonnage de ce pesticide. D'habitude, on l'achète en petite quantité et on prend un échantillonnage de ce pesticide que l'on transmet ensuite au laboratoire du gouvernement, où les analystes du gouvernement analysent l'échantillonnage pour savoir si oui ou non on rencontre les exigences de la garantie. Sinon, on nous avertit et le matériel ou le produit est retenu.

M. Howard (Okanagan-Boundary): Si j'avais un produit différent, est-ce que le produit serait envoyé au même analyste?

M. Cooper: Les produits vont tous au même laboratoire.

M. Howard (Okanagan-Boundary): Et il y a beaucoup d'analystes dans ce laboratoire?

M. Cooper: Au même laboratoire, oui. Il y a un certain nombre d'analystes. Je suis sûr qu'il y en a un ou deux qui font certains groupes spécifiques, groupes génériques, en raison de la spécialité requise, de la grande compétence requise. Il y en a un ou deux qui feraient un groupe de composés ou même un seul composé. Tous les chimistes ne seraient pas nécessairement formés pour traiter de différents composés.

M. Howard (Okanagan-Boundary): Pour toute la gamme des produits, cela nécessiterait tout un groupe de spécialistes.

M. Cooper: Oui.

M. Howard (Okanagan-Boundary): En d'autres termes, si vous aviez une commission d'appel, il faudrait toute une équipe, encore une fois, de spécialistes, si vous vouliez avoir une commission d'appel, n'est-ce pas?

M. Cooper: Pas nécessairement. Une commission d'appel ne serait composée que d'un très petit nombre de personnes qui décideraient si la décision originale est juste et exacte.

M. Howard (Okanagan-Boundary): Est-ce qu'il ne s'agirait pas d'une analyse chimique spéciale?

M. Cooper: Non. Nous ne mettons pas en doute le rapport présenté par les laboratoires. Nous demandons, et nous avons eu une collaboration excellente de la part des laboratoires. Quand ils prennent un échantillonnage et le trouvent défectueux, nous demandons une partie de cet échantillon et nous en faisons l'analyse dans nos propres laboratoires pour voir si c'est

[Text]

sample, and run it through our own lab to see whether it is true. And we usually find it so.

There is good liaison here. We are not questioning the competency or the reports that are coming forth from this lab. We feel that this is an excellent lab and has been doing a fantastic job.

Mr. Howard (Okanagan Boundary): So it is not the chemical analysis.

Dr. Cooper: No.

Mr. Howard (Okanagan Boundary): What phase is it that you are questioning?

Dr. Cooper: Time.

Mr. Howard (Okanagan Boundary): The administrative level.

The Chairman: I will have to ask the co-operation of the Committee in making our supplementaries as brief as possible, or else we do impose an injustice on the recognized questioner. Will you conclude as soon as you can?

Mr. Howard (Okanagan Boundary): I am sorry to take so long, but I am trying to establish this point, whether or not it is practical to have a duplication of service for an appeal board. Is it practical to do all of it all over again? Are you not involving the equivalent of a whole government department in order to have an appeal board? I am merely trying to establish this point.

Mr. J. W. Kennady (President, Canadian Manufacturers of Chemical Specialties Association): Mr. Chairman, may I make a comment? I think really what we are talking about here, gentlemen, is an element of time involved in the product that is under question. We are not questioning the scientific knowledge that it has presented. It is strictly a matter of time with reference to the use of the product by the farmer. He is under the gun at many times because he may need a product. The company who has had a sample picked up and had it questioned is under the gun as to time. Really what we are asking for here is not a special appeal board, but—

An hon. Member: An ombudsman.

Mr. Kennady: —fast administrative action.

The Chairman: Mr. Horner?

Mr. Horner: Yes, Mr. Chairman. This is the point, Mr. Kennady, that I was concerned about: the six months period that would, in effect, be one year as the use of chemicals is really of a seasonal nature.

[Interpretation]

vrai ou non. Et d'habitude nous trouvons qu'ils ont raison.

Par conséquent, il y a une bonne liaison entre les deux. Nous ne mettons pas en doute la compétence ou ni, même, les rapports présentés par ces laboratoires. Nous trouvons que les laboratoires sont excellents, qu'ils font un bon travail.

M. Howard (Okanagan-Boundary): Par conséquent, ce n'est pas l'analyse chimique.

M. Cooper: Non.

M. Howard (Okanagan-Boundary): Alors, quel est le motif de votre critique?

M. Cooper: Le temps en cause.

M. Howard (Okanagan-Boundary): A l'échelon administratif.

Le président: Voulez-vous, s'il vous plaît, poser de brèves questions supplémentaires. Est-ce que vous pourriez conclure, s'il vous plaît.

M. Howard (Okanagan-Boundary): Je m'excuse d'avoir pris autant de temps, mais j'essaie d'établir si, oui ou non, c'est pratique d'avoir un chevauchement de travaux ou de services en vue de créer une commission d'appel. Je me demande si c'est pratique de tout recommencer le travail. Est-ce qu'il ne sera pas nécessaire de créer un autre ministère pour avoir une commission d'appel? C'est ce que j'essaie de faire ressortir.

M. J. W. Kennady (Président de l'Association des chimistes manufacturiers canadiens de spécialités): Est-ce que je pourrais faire un commentaire, s'il vous plaît? Je crois que ce dont nous parlons, messieurs, c'est une question de temps pour un produit mis en cause ou mis en doute. Nous ne disons pas que nous mettons en doute les connaissances scientifiques, mais c'est tout simplement une question de temps en ce qui concerne l'utilisation du produit par le cultivateur qui est lui aussi, limité dans son temps et, qui peut avoir besoin d'un produit. La compagnie dont le produit a été retenu subit de fortes pressions quant au temps et ce que nous demandons ce n'est pas un tribunal d'appel spécial, mais...

Une voix: Un ombudsman.

M. Kennady: ...une action rapide de la part de l'administration.

Le président: M. Horner.

M. Horner: Voici le point qui me préoccupait M. Kennady. La question de la période de six mois qui pourrait en fait en être une d'un an pour les produits chimiques saisonniers.

[Texte]

Mr. Kennedy: That is correct.

Mr. Horner: So that six months, in effect, could be a year in some cases. I wonder, Dr. Cooper, if we included a clause (d) in this section which would read something like this—and I am just going to pose this as a question to you, whether it would be satisfactory to you people—that the company whose product has been seized or detained be granted the right at any time after the detention of the product to appeal to an independent board consisting of representations from the industry and the Department. What would you think of a clause like that?

The Chairman: I am sure that the witnesses could not be expected to draft the legislation, Mr. Horner, nor do I think it is fair for them to comment on that type of question. You are at liberty to question the witnesses, but I don't think that would include asking them whether or not this would be suitable to them.

Mr. Horner: I disagree with you, Mr. Chairman. We are here to try and make this a workable Act; I would be shirking my duty if I did not ask that. We have representatives before us who have a complaint against the Act as it is now drafted. Many, many briefs presented to committees from time to time do, in fact, contain suggested amendments.

This brief, in particular, does not. I am asking their opinion of a supposed amendment that could well be included in the Bill. The Committee does not have to accept their approval or disapproval. I just asked them for an opinion as to whether or not something like that would grant them the appeal which they say they desire.

The Chairman: If Dr. Cooper wishes to answer the question, I will grant it.

Dr. Cooper: Yes, I feel that this would give us what we need.

Mr. Horner: Thank you. I have one more question, Mr. Chairman, and that has to do with Clause 5 (d).

You suggest, and I agree with you, that if the product is registered you do not see any reason why the establishment has to necessarily be registered. What would you say if the Committee decided to delete all words after the words "respecting the registration of control products" in subclause (d) and added the words "and the manufacturing of such products"; in other words, delete "and of establishments in which any prescribed control products are manufactured and prescribing the fees therefor"?

Is there any other place in the Act which refers to or suggests that establishments should be registered? Subclause (e) does, in a sense, but it does not necessarily say that the establishments must be registered; it just says, "respecting the inspection and operation of establishments in which any prescribed control

[Interprétation]

M. Kennedy: C'est exact.

M. Horner: Ainsi six mois pourrait être l'équivalent d'un an dans certains cas.

Et alors, M. Cooper, si nous ajoutons un paragraphe d) qui se lirait ainsi:—et je vous demande si ce serait satisfaisant—que la compagnie dont le produit a été retenu ou détenu ou saisi, ait un droit d'appel utilisable à n'importe quel moment après la saisie du produit ou la retenue du produit, envers un tribunal indépendant composé des représentants de l'industrie et du Ministère. Que pensez-vous d'un tel paragraphe?

Le président: Je suis sûr que les témoins ne peuvent pas s'attendre à rédiger des mesures législatives et je ne trouve pas que cela soit juste de leur demander un commentaire sur ce genre de texte. Vous avez la liberté de questionner les témoins, mais quand vous leur demandez si telle clause les satisfait ou non, je trouve que vous allez un peu loin.

M. Horner: Je ne suis pas en accord avec monsieur le président. Nous sommes ici pour essayer de concevoir un projet de loi le plus pratique possible. Je manquerais à mon devoir si je ne le faisais pas. Et, si nous avons des témoins qui se plaignent contre la rédaction actuelle du Bill, plusieurs mémoires présentés au comité de temps à autre, proposent en fait des modifications.

Le présent mémoire n'en comporte pas, mais j'essaie d'obtenir leur opinion au sujet d'un amendement qui pourrait être inclus dans le projet de loi. Le Comité n'est pas tenu d'accepter leur approbation ou leur désapprobation. Je leur demande leur opinion. A savoir si cela répondrait à ce qu'ils désirent.

Le président: Si M. Cooper veut répondre à la question, je vais lui donner la permission de le faire.

M. Cooper: Oui, je trouve que cela me satisfait, oui.

M. Horner: Une dernière question, monsieur le président, qui a trait à l'article 5 (d).

Vous dites—et je suis d'accord avec vous—que si le produit est enregistré, vous ne voyez pas du tout pourquoi l'établissement doit l'être aussi. Et alors, au paragraphe d), de l'article V, que diriez-vous si le Comité décidait de biffer tous les mots après «l'enregistrement des produits contrôlés» du paragraphe (d), ensuite qu'il ajoutait les mots «et la fabrication de tels produits antiparasitaires» et supprimait l'expression «et des établissements qui les fabriquent et prescrivant les droits d'enregistrement».

Y a-t-il un autre endroit dans le Bill où l'on suggère que les établissements doivent être enregistrés? Au paragraphe (e)? — oui, dans un certain sens, on trouvera la même disposition, mais elle ne veut pas nécessairement dire que les établissements doivent être enregistrés. On dit tout simplement: «concernant l'exploita-

[Text]

products are manufactured;". I do not think that Sub-clause (e) would necessarily require establishments to be registered. Do you see what I mean? Is there any other place in the Act that would require that? Is registering, in your mind, the same thing as licencing, or similar?

● 1045

Dr. Cooper: It has always been my thought that you register at no cost, but you are licenced at a fee; however, it is tantamount to the same thing: you are issued a certificate or whatever it is. I have always looked at it this way: one is with a fee and one is without.

Mr. Horner: Thank you, Dr. Cooper. Mr. Chairman, I will forego any further questions now and I will not move any amendment until later on in the Committee. Before we are through, I would like the Committee to consider the suggested amendment I made here a while ago during the questioning.

Mr. J. A. Oakley (1st Vice President, Chevron Chemical (Canada) Limited, Canadian Agricultural Chemicals Association): Mr. Chairman, further to Mr. Horner's question, Clause 4(2)(b) also specifies the registration of an establishment.

An hon. Member: "was registered and operated as prescribed."

Mr. Horner: But there is no fee mentioned there. I do not take objection to the fact that you register, or that you are a registered manufacturer of a chemical; I do not take any objection to this. I do not like the idea of having to pay a fee. That is why I asked the question about licencing and fees.

The Chairman: Mr. Clermont?

M. Clermont: Monsieur le président, puis-je me permettre une suggestion de régie interne? Lorsque nous avons des témoins qui présentent un mémoire concernant un bill en particulier, ne serait-il pas préférable d'inviter aussi les fonctionnaires du ministère? M. Danforth et M. Gleave ont posé certaines questions, à savoir qu'il nous faudra questionner davantage nos fonctionnaires. J'ai l'expérience du Comité des finances, du commerce et des questions économiques, où nous avons étudié les accords Kennedy et la Loi sur l'antidumping.

Lorsque nous avons des témoins du secteur privé, les fonctionnaires du ministère des Finances et du ministère du Revenu national étaient aussi présents. Ceci permettait aux députés de poser des questions directement aux fonctionnaires. A quelques occasions, monsieur le président, un malentendu ou un manque de communication entre l'association en question et les fonctionnaires a été immédiatement corrigé.

[Interpretation]

tion et l'inspection des établissements dans lesquels des produits contrôlés sont manufacturés».

Je ne trouve pas personnellement que le paragraphe (e) nécessite forcément l'enregistrement des établissements. Comprenez-vous ce que je veux dire? Y a-t-il un autre endroit dans la Loi où l'on exige que cela se fasse? Est-ce que enregistrement et permis d'exploitation, sont synonymes dans votre esprit?

M. Cooper: A mon sens, un enregistrement se fait sans frais, alors que le permis d'exploitation comporte un droit. Alors, j'ai toujours considéré que lorsqu'on émettait un certificat, on pouvait le faire avec ou sans frais.

M. Horner: Merci, M. Cooper. Je n'ai pas l'intention de poser d'autres questions à l'heure actuelle. Et j'ai l'intention de proposer des amendements plus tard seulement, mais avant de terminer, j'aimerais bien que le Comité prenne en considération le texte, ou l'amendement dont j'ai parlé tout à l'heure.

M. J. A. Oakley (Vice-Président, Association canadienne de produits chimiques agricoles): M. le président, à la suite de la question de M. Horner, j'aimerais préciser que l'article 4 (2) (b) spécifie également l'enregistrement d'un établissement.

Une voix: «était enregistré et exploité de la manière prescrite.»

M. Horner: Mais il n'est pas question ici d'une redevance. Je ne m'oppose pas au fait que l'on s'enregistre, que vous soyez un fabricant enregistré d'un produit chimique. Je ne m'oppose pas à cela. Mais, je n'aime pas l'idée d'avoir à payer une redevance. C'est pourquoi j'ai soulevé la question des droits et de l'enregistrement.

Le président: Monsieur Clermont.

Mr. Clermont: Mr. Chairman, could I make a suggestion regarding rules of procedure? When we have witnesses who submit a brief concerning a specific bill, could we not have the officials from the Department here too? Mr. Danforth and Mr. Gleave have raised some questions, namely that we will have to put more questions to our officials. I have had as experience the Committee on Finance, Trade and Economic Affairs where we have studied the Kennedy Round Agreement and the Anti-Dumping Act. When we had witnesses from private industry, the officials from the Department of Finance and from the Department of National Revenue were also attending. This enabled Members to put questions directly to the officials. On a number of occasions, Mr. Chairman, a lack of communication or a misunderstanding between the Association concerned and the officials was corrected immediately.

[Texte]

Je suggérerais qu'à l'avenir, lorsque nous aurons des témoins du secteur privé à ce Comité, nous devrions aussi avoir les fonctionnaires des ministères correspondants.

The Chairman: I recognize your point. This morning, we are questioning witnesses of two associations in response to a request from these associations. No doubt members of the Committee will be making notes and observations concerning the questioning this morning. We will later have an opportunity of questioning the departmental people.

M. Clermont: J'ai l'expérience d'autres comités et, si ma suggestion était suivie, vous pourriez éviter des délais.

A tout événement, je voulais seulement faire une suggestion sur la régie interne. Je sais que la chose a très bien fonctionné dans un autre comité et on a ainsi évité des retards dans des réunions subséquentes.

Un des témoins a mentionné à quelques reprises qu'il voulait avoir un droit d'appel.

Il a parlé, à une occasion, d'un corps indépendant. Il a dit ensuite qu'il n'aurait pas d'objection à ce que ce droit d'appel soit dirigé vers des officiers ou des chimistes du ministère de l'Agriculture.

Si je me souviens bien, la semaine dernière, un des fonctionnaires du ministère de l'Agriculture nous a dit que, dans les règlements qui seront émis selon l'article 5, il y aura un droit d'appel. Est-ce exact, monsieur le président?

The Chairman: I would have to refer to the record. I am not sure if the record would indicate that a departmental person said that there would be, but I am inclined to believe that that was indicated.

● 1050

Mr. Clermont: Mr. Danforth was told last week by a representative of the Department of Agriculture that under Clause 5 there would be, and the Minister added that under the present regulation there is an appeal.

Mr. Peters: Mr. Chairman, this is really a point of order. . .

The Chairman: I am advised that there is the right of appeal.

Mr. Peters: I would suggest that you ask the departmental officials who are here.

[Interprétation]

I would suggest that in the future when we have witnesses from private industry before the Committee, we should have the officials from the corresponding departments.

Le président: J'enregistre votre suggestion. Ce matin, nous interrogeons deux associations à leur propre demande. Il n'y a aucun doute que les membres du Comité prennent des notes et font des observations au sujet de l'interrogatoire de ce matin. Nous aurons la possibilité plus tard de questionner les fonctionnaires du ministère.

Mr. Clermont: I have had experience in other committees, and if you were to follow my suggestion you could avoid delays.

In any event I merely wanted to make a suggestion regarding the rules of procedure. I know that this has worked out very well in other committees and this helped avoid delays in subsequent meetings.

One of the witnesses has mentioned several times that he wanted to have the right to appeal. On one occasion, he referred to an independent body. Then he said there would be no objections to have this appeal directed to officials or chemists from the Department of Agriculture.

If I recall correctly, last week one of the officials from the Department of Agriculture told us that in the regulations that will be issued under Clause 5, there will be a right of appeal. Is this true, Mr. Chairman?

Le président: Alors, il faudra que je vous renvoie au compte-rendu. Je ne sais pas si le compte-rendu précise que les fonctionnaires ont dit que tel était le cas. Mais, je crois que cela était indiqué.

M. Clermont: La question, en réponse à M. Danforth, un fonctionnaire a dit qu'en application de l'article 5, le ministre affirmait que d'après le règlement actuel, il y a un droit d'appel.

M. Peters: Monsieur le président, j'en appelle vraiment au Règlement.

Le président: Il y a droit d'appel.

M. Peters: On peut poser la question aux fonctionnaires qui sont ici?

[Text]

The Chairman: I have been advised that there is the right of appeal.

M. Clermont: Je veux bien permettre à d'autres députés de poser leurs questions.

Au sujet du paragraphe 2, alinéas a) et b) de l'article 4, vous prétendez que cet article n'est pas nécessaire, parce qu'il n'est pas nécessaire que les produits chimiques destinés à l'exportation soient produits selon les normes canadiennes d'enregistrement.

Pourquoi selon vous cet article n'est-il pas nécessaire?

Dr. Cooper: Yes, sir. For instance, let us say Jamaica has requested a Canadian company to formulate a pesticide for them. They have presented the specifications for the formulation they require. Now, no person shall export out of Canada such product unless it complies with prescribed conditions and was registered and operated as prescribed, (a) or (b). The question here is: Suppose Canada did not like that formulation, what could be done?

This is the right of the other country to ask, is it not? We bring the product in; it gives employment to our local plants: it is manufactured and canned and sent out according to their specifications. I just question what is the interest of the Canadian government in that product which is taking a complete route and is not going to stay in here. It will be manufactured here and then shipped out.

This is why we feel that unless there is more explanation, there are these situations that evolve. We formulate material on sugar cane and send it back out. We are sending it to Asia and other countries on their specification. We have no control; we are just accepting the job of doing what they want and nothing else.

Mr. Lessard (Lac-Saint-Jean): But you are not offering that product on the Canadian market?

Dr. Cooper: No, absolutely not.

Mr. Lessard (Lac-Saint-Jean): And there is no possibility that could happen?

Dr. Cooper: No.

The Chairman: I now recognize Mr. Douglas.

Mr. Douglas: I was interested in this discussion about Clause 4 (2) (a) and (b) and I am wondering if there is not perhaps an international agreement between nations that Canada is obliged to live up to that

[Interpretation]

Le président: Il y a un droit d'appel, on me l'a dit.

Mr. Clermont: I am quite willing to give other members a chance to put questions.

With regard to subsection 2, paragraphs (a) and (b) of section 4 you state that this section is useless because it is not necessary that chemical products for export be produced according to Canadian registration standards.

Could you tell us the reason why this section is useless?

M. Cooper: Oui, monsieur. L'article 2. Prenons par exemple le cas de la Jamaïque. La Jamaïque a demandé à une société canadienne de préparer une formule de produit antiparasitaire. Ce pays nous a donné les caractéristiques de la formule nécessaire. Maintenant, aucune personne n'exportera du Canada des produits à moins qu'ils ne soient conformes aux prescriptions prévues en a) et b).

La question qui se pose ici est la suivante: En supposant que le Canada n'aime pas cette formule, que pourrait-on faire?

L'autre pays n'a-t-il pas le droit de demander ce qu'il désire? Le produit est importé; il fournit de l'emploi au Canada, il est fabriqué ici et il est mis en boîte et envoyé à la Jamaïque conformément aux spécifications jamaïcaines.

Pour quelles raisons est-ce que le Canada doit s'intéresser à un produit qui est fabriqué ici, mais qui ne restera pas ici, qui sera envoyé à l'étranger?

Voilà pourquoi nous pensons qu'à moins qu'il y ait plus d'explications, surgiront des difficultés relatives à des situations qui changent. Nous préparons des produits et nous les expédions. Nous en envoyons en Asie et dans d'autres pays, selon ce qu'ils nous demandent. Nous ne contrôlons pas ces spécifications. Nous acceptons simplement le travail et nous faisons ce qu'ils veulent. Rien d'autre.

M. Lessard (Lac-Saint-Jean): Mais ce produit n'est pas offert sur le marché canadien?

M. Cooper: Absolument pas.

M. Lessard (Lac-Saint-Jean): Et il n'y a aucune possibilité que cela se produise?

M. Cooper: Non.

Le président: La parole est à M. Douglas.

M. Douglas: Je m'intéresse à ce qui a été dit à l'article 4, (2) a) et b).

Je me demande s'il n'y a pas des accords internationaux qui obligent le Canada à approuver de tels règlements?

[Texte]

requires this sort of regulation. I believe a question like this developed in connection with the Animal Contagious Diseases Act, which required this type of regulation because of an international commitment. Is there not an international commitment in this field too?

Dr. Cooper: As far as pesticides are concerned, sir, I am not aware of any such commitment. I am aware of the Animal Contagious Diseases Act, and so forth, but personally I know of no commitment in so far as Canada is concerned along this line.

Mr. Douglas: On the import side you question the need for this regulation, too, but I can see a need for this especially where finished products are imported, as some of them are from outside of Canada for sale directly to the users. I think we need this for that purpose, if nothing else. Would that not be true?

● 1055

Dr. Cooper: I believe something is needed here, but I am not sure that (2) (a) and (b) are couched or termed in the right kind of language to achieve that which we wish.

Mr. Douglas: I see. To go down to Clause 5 (d) where you question the need for the registration of premises, is there any real objection to registering the premises when other provisions provide for inspections of products, approval of storage and products, and control of products? It seems to me that in order to do this effectively the inspectors will have to know the location of these places where chemicals are made and stored and sold.

I cannot see why it should not be desirable to have registration of premises.

Farmers have to register their farms when they want quotas to be able to deliver grain; they have to register their farms if they want a quota for dairy production, and so on. I cannot see any real objection to registering premises.

Dr. Cooper: There are two points here; one is, what is the fee for?

Mr. Douglas: As you stated, probably registration does not involve fee at all.

Dr. Cooper: That is right, but a fee is implied by the very presence of the words. "And prescribing the fees therefor." What does this mean? Surely I am not misinterpreting the words.

Mr. Douglas: Where are those words? I am talking about Clause 5 (d).

Dr. Cooper: Clause 5 (d). It says:

(d) respecting the registration of control products and of establishments in which any prescribed control products are manufactured and prescribing the fees therefor;

[Interprétation]

Je crois que ce point précis a été soulevé au sujet de la Loi sur les épizooties et que des règlements du genre avaient été rendus nécessaires en raison d'un accord international.

Est-ce qu'il n'y a pas, ici aussi, un accord international?

M. Cooper: En ce qui concerne les produits antiparasitaires, je ne suis au courant d'aucun engagement de ce genre. Je sais qu'il y en a pour les maladies contagieuses chez les animaux, mais je ne sais qu'il en existe dans ce domaine-ci.

M. Douglas: Du point de vue de l'importation, vous mettez également en doute la nécessité d'un tel règlement. Pour ma part, j'en vois la nécessité dans le domaine de l'importation de produits finis dont certains sont vendus directement au public. C'est pourquoi il nous faut ce genre de protection. Est-ce que ce n'est pas vrai?

M. Cooper: Je crois qu'une telle protection est nécessaire mais je ne suis pas certain que (2) a) et b) soient rédigés dans des termes qui nous permettent d'atteindre le but que nous nous proposons.

M. Douglas: Passons à l'article 5 d). Vous mettez en doute le besoin d'enregistrer les établissements. Pourquoi s'y opposer lorsque d'autres dispositions prévoient l'inspection des produits, l'inspection des entrepôts et des produits et le contrôle des produits. Il me semble que pour faire ce travail de façon efficace, les inspecteurs devront savoir où les produits sont fabriqués, entreposés et vendus. Je ne vois pas pourquoi il ne serait pas bon d'enregistrer les établissements.

Les agriculteurs doivent enregistrer leurs exploitations agricoles lorsqu'ils veulent un quota de produits laitiers ou de céréales. Je ne vois pas pourquoi on ne pourrait pas enregistrer les établissements ici.

M. Cooper: Il y a deux éléments. Premièrement pourquoi doit-on payer une redevance?

M. Douglas: L'enregistrement n'entraîne pas de redevance.

M. Cooper: C'est exact, mais implicitement on parle de redevances puisque le texte dit: «prescrivant les droits d'enregistrement». Qu'est-ce que signifient ces mots?

M. Douglas: Où sont ces mots? Je parle de l'article 5 d).

M. Cooper: Il s'agit de 5 d)

Concernant l'enregistrement des produits antiparasitaires et des établissements qui les fabriquent et prescrivant les droits d'enregistrements;

[Text]

Mr. Douglas: That is right. Well, it may be that some fees may be called for for some of that, but it does not say in the regulations there has to be a fee for everything.

Dr. Cooper: I can see fees for the registration of products, yes. This is what we have now. For the registration of a product there is a registration fee with which I agree, but if I have to register my plant I do not see why I have to pay another fee.

Mr. Douglas: You are talking about fees, but the objection in your brief has nothing to do with fees, it just states that your objection was to the registration.

Dr. Cooper: Registration, yes. We are registered companies. We have to register to get our names, and so forth. We have to be registered companies. Now, how often do we have to register our names?

Mr. Douglas: I would think you would not be required to register again if it is already registered.

Dr. Cooper: You cannot operate and sell in Canada unless you are a registered company.

Mr. Douglas: I cannot really see the objection to registering the premises or the establishment if you are registering the company; I cannot see the difference. I am not going to argue with you about it, but I just do not see the difference.

I have a very high regard for the chemical companies, although I have had some trouble. I am a farmer and I have had lawsuits with one or two of them, but I have a very high regard for the chemical industry and the vital role it plays in agriculture. I do not want you to get the idea that I am completely critical of your brief. I appreciate the fact that you would support the idea, in the main, of the whole Bill. Thank you.

● 1100

The Chairman: Mr. Southam?

Mr. Southam: Thank you, Mr. Chairman. My comment or question now will be quite brief, because most of the points that I had in mind have been discussed, particularly the subject introduced by Mr. Horner with respect to writing something into this Bill at the suggestion of the witnesses for the right of appeal. Carrying this one step further, and just as a matter of clarification, Mr. Chairman.

Suppose an inspector made a decision that he was going to red tag a product for, say, six months—and here again I think there is this problem of the six months; it is quite a serious time lapse as far as the

[Interpretation]

M. Douglas: C'est exact. Il se peut que certains droits d'enregistrement soient imposés. Mais rien ne dit que des droits doivent être perçus en toute circonstance.

M. Cooper: Que l'on mette des droits d'enregistrement d'un produit, c'est ce que nous avons maintenant. D'accord. Nous avons un droit d'enregistrement. Je suis d'accord à 100 p. 100, mais si je dois enregistrer mon établissement, je ne vois pas pourquoi je dois payer un autre droit d'enregistrement.

M. Douglas: Dans votre mémoire, vous ne vous opposez pas aux droits, mais à l'enregistrement même.

M. Cooper: Oui, à l'enregistrement. Notre compagnie est enregistrée. Nous devons nous enregistrer pour avoir un nom. Il nous faut nous enregistrer. Mais, combien de fois faut-il le faire?

M. Douglas: Je ne crois pas que vous soyez tenu de l'enregistrer une nouvelle fois, si elle l'est déjà.

M. Cooper: Vous ne pouvez pas opérer au Canada si la compagnie n'est pas enregistrée.

M. Douglas: Je ne vois pas pourquoi vous vous opposez à l'enregistrement des locaux si vous enregistrez la compagnie. Ce n'est pas parce que je veux débattre la question avec vous que je le dis, mais seulement parce que je ne vois pas la différence.

J'ai la plus grande estime pour les compagnies de produits chimiques, même si, en tant que cultivateur, j'ai eu certaines difficultés avec une ou deux d'entre elles. Je n'en respecte pas moins l'industrie chimique, qui est certainement essentielle pour l'agriculture. Je ne veux pas que vous pensiez que je suis opposé à votre mémoire. Je me rends compte que vous êtes prêt, en fait, à approuver ce projet de loi.

Le président: Monsieur Southam.

M. Southam: Merci, monsieur le président. Mes commentaires, mes questions seront très brèves, car le plupart des sujets que j'avais à l'esprit ont été discutés, en particulier le sujet abordé par Monsieur Horner pour l'addition d'une clause qui garantirait le droit à un appel. Je voudrais obtenir un éclaircissement, monsieur le président.

Supposons qu'un inspecteur a décidé de suspendre la vente d'un produit pour six mois. C'est un délai assez long pour la société et qui peut représenter une grosse perte de revenus. Supposons qu'il y a appel, et qu'on prouve que l'inspecteur s'est trompé, est-ce que la

[Texte]

company and possible loss of business is concerned. Suppose that when an appeal is made the inspector is found to be wrong; would the chemical company then have a right to compensation for the loss of business due to the mistake and if so, how would this be arrived at?

Dr. Cooper: In general practice I believe the company has no recourse whatsoever as far as compensation is concerned, and I do not think any of our companies are concerned with this aspect. We are just trying to get this into perspective so that we have some protection. This will not happen as of today, we know, but all we are looking for is to improve this to where there is some protection built in if the necessity does come up.

But, no, if you took it to the n^{th} degree and the company was found not guilty I am sure that we would not be able to get redress from the Crown for that loss of business, and I do not think the company would.

Mr. Southam: It seems to me there could be an injustice there. However, I thought it would be a good question for clarification. I go along with Mr. Douglas' thinking that as far as the registration of products and premises is concerned, one fee would suffice, but I still like the idea of having control and the right to go in and check, as Mr. Douglas points out. Farmers are subjected to this type of supervision and—

Dr. Cooper: I think under Clause 5 (d) we would register or list the places where we are going to manufacture, which would be part of the registration of the product name. I do not see any need for a special thing here. If we had to put down where we are manufacturing as part of the form, then this would become a redundancy. I do not see any reason for it. Just put it down that the manufacturing place must be listed with the registration.

Mr. Southam: In other words by the very fact that you are registering a product you would have to give the name and address, location and so on, and it would all be automatic anyway.

Dr. Cooper: Right.

Mr. Southam: Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Southam. Mr. Roy.

Mr. Roy (Laval): Thank you, Mr. Chairman. I am going to be very brief, a little more so than my friend, Mr. Horner, here. I heard that this morning he did not want to start because we did not have a quorum. Back to the Bill.

Voici ma première impression sur le bill. Je pense d'abord à l'article traitant de publicité: c'est très important pour les compagnies et nous sommes heureux de rencontrer les représentants de l'Association des chimistes manufacturiers canadiens de spécialités. La publicité peut être très trompeuse et je pense que si on enlevait l'alinéa k de l'article 5 le consommateur perdrait une excellente protection. On sait qu'actuellement, pour les compagnies. . .

[Interprétation]

compagnie aurait droit à une compensation? Comment s'y prendrait-on?

M. Cooper: En général, je crois que la société n'a aucun recours en ce domaine. D'ailleurs, je crois qu'aucune de nos sociétés ne s'intéresse vraiment à cet aspect de la chose. Nous essayons simplement de placer cela dans un contexte approprié de façon à avoir une certaine protection. Cela ne se produira pas aujourd'hui même, nous le savons. Mais, nous voulons simplement améliorer cela de façon à avoir une protection qui soit prévue dans la loi au cas où le besoin s'en ferait sentir.

Non, je ne crois pas qu'une société, si l'on poussait cela au bout, si la société n'est pas coupable, je suis certain que nous ne pourrions pas obtenir des dommages et intérêts de la Couronne pour nos pertes de revenue, et la société elle-même ne le pourrait pas.

M. Southam: Il me semble qu'il pourrait y avoir une injustice ici. Je pensais que ce serait une bonne question pour obtenir un éclaircissement. Je suis d'accord avec la philosophie de M. Douglas en ce qui concerne l'enregistrement des établissements et des produits. Un seul droit pourrait suffir, mais j'aime l'idée de pouvoir contrôler ces établissements. Comme le disait M. Douglas, les agriculteurs sont soumis à ce genre de surveillance.

M. Cooper: En application du paragraphe d), nous enregistrons ou ferons la liste des endroits où nous fabriquons et cela fera partie de l'enregistrement de la marque du produit. Je ne pense pas qu'il soit nécessaire de prévoir quelque chose de plus. Il suffit de faire figurer le lien de fabrication dans l'enregistrement.

M. Southam: Il suffit simplement de dire que l'endroit et l'adresse où le produit est fabriqué doit figurer sur l'enregistrement du produit.

M. Cooper: C'est exact.

M. Southam: Merci, monsieur le président.

Le président: Merci, monsieur Southam. Monsieur Roy.

M. Roy (Laval): Merci, monsieur le président. Je serais très bref. Je reviendrais au projet de loi, car ce matin M. Horner ne voulait pas commencer car il n'y avait pas quorum.

This is my first impression of the Bill. First, there is the item dealing with advertising. it is very important for the companies, and we are very happy to meet the representatives of the Canadian Manufacturers of Chemical Specialties Association. Advertising may be very misleading and I think that if were to remove paragraph (k) of clause 5, the consumer would lose an excellent protection. We know that at the present time, companies . . .

[Text]

— the new product is always more things and more profits at the end of the year, but I think that the problem is still how to use the product, and if it is the wish of the Committee we might make the suggestion to the people that perhaps they should invest their money in the technical services and promote their product through their technical services. That would be better, I think, for the consumer instead of pushing the publicity. All products are always "new". With only this word "new", they can increase their sales, but I think that with the agriculture industry, to know how to use the product is most important, but it is always the brand name that is promoted.

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Je pense qu'en enlevant l'article prévoyant le droit de regard du ministère quant à la publicité, nous ne rendrions pas réellement service au consommateur.

A l'article 5 d) pourquoi vous objecteriez-vous à mentionner l'établissement où le produit est fabriqué? Dans la Loi sur les aliments du bétail, par exemple, on exige que le nom de l'endroit où sont manufacturés les produits, qu'ils soient mélangés préparés ou produits finis soit inscrit sur l'étiquette. C'est une protection pour les deux parties et les objections que vous apportez ne me semblent pas suffisantes pour retirer l'article.

L'alinéa b du paragraphe 1 de l'article 4 protège autant le consommateur que la compagnie, en exigeant le contrôle de la composition des ingrédients. C'est tout à fait normal, je pense. Cette mesure n'est pas exclusive à la Loi sur les produits antiparasitaires mais elle existe également dans la Loi sur les aliments du bétail. Et il a toujours eu, ou il peut y avoir une sélection, ou un autre choix d'ingrédients. Je pense que cette protection doit demeurer.

Au sujet du droit d'appel, votre demande a certainement pu être considérée, mais il y a danger car si le produit est vendu pendant une période de six mois, cela signifie une période d'un an au point de vue consommation. Par exemple un produit pour le verger, qui est resté sur le marché pendant six mois est un danger pour les producteurs qui peuvent perdre leur récolte au cours de l'année. Il nous faut absolument agir rapidement. Plus les exigences seront sévères au niveau de l'enregistrement, plus meilleur sera le résultat, même pour les compagnies: la compétition sera beaucoup plus normale avec des normes plus sévères et ce faisant nous rendrons réellement service à la classe agricole.

Monsieur le président, je suis bien heureux d'avoir rencontré les représentants de l'Association qui nous ont présenté un excellent mémoire: mais je pense que le Bill C-157, tel qu'il nous est présenté représente, tant pour les compagnies que pour le consommateur les garanties nécessaires dans le secteur agricole comme dans tout autre secteur. C'est mon opinion, monsieur le président.

[Interpretation]

... le nouveau produit est censé être toujours le plus sûr. Le problème est de savoir comment utiliser le produit. Et si c'est possible, le comité devrait faire une suggestion d'après laquelle les fabricants devraient investir de l'argent dans un service technique, afin de promouvoir leur produit et de s'occuper des problèmes des consommateurs plutôt que de faire de la publicité. Un produit est toujours nouveau pour un consommateur et c'est un facteur qui augmente les ventes. Je pense que pour l'agriculteur il est plus important de savoir comment se servir du produit plutôt que d'avoir simplement une marque.

I believe that if we remove the clause that provides for the Department's right to check advertising, we would not really be tendering service to the consumer.

Regarding clause 5 (d), why should you object mentioning the establishment where the product is manufactured? In the Feeding Stuffs Act, for instance, it is stated the name of the place where the products are made, whether premixes or finished product, should be specified on the tag. This is a protection for both parties and I do not feel that your objections are sufficient to remove the clause.

Paragraph (b), subsection 1, of clause 4 protects both the company and the consumer, by demanding that the composition of the ingredients be controlled. This is perfectly normal. This measure is not only in the Pest Control Products Act, but it is also to be found in the Feed Stuffs Act. And these has always been, or there can be, a selection at another choice of ingredients. I believe this protection should be maintained.

As concerns the right of appeal your request may certainly have been considered, but a danger exists here because if a product is sold for six months in so far as the consumer is concerned this means a one-year period. For instance, a product to be used in orchards which has remained on the market for a period of six months is a hazard for producers who may lose their crop in the course of the year. This is why we should act quickly. The stricter the requirements are at the level of registration, the better will be the results, even for firms. Competition will be far more normal with stricter standards and by doing this we will be rendering a real service to our farmers.

Mr. Chairman, I am very happy to have met the representatives of the Association who presented an excellent brief, but I believe that Bill C-157, as submitted to us, represents, for the companies as well as the consumers the necessary guarantees in the agricultural field as well as in any other field. This is my opinion, Mr. Chairman.

[Texte]

The Chairman: Thank you. Mr. Peters?

Mr. Peters: Is the registration plant number, if you have a number now, attached to the retail label as well as to the registration number of the product itself? Is there any identification of the plant doing the manufacturing?

Dr. Cooper: In our case, just the registration number. Where the plant manufacturing—no. Most of our products have a lot number which specifies what lot, where—and this lot is then traceable back to the time and the place of manufacture.

Mr. Peters: How?

Dr. Cooper: Because of the number given. If it is C0025, this automatically gives the place of manufacture and the time of manufacture, so that if I know a certain product is in question—and many growers question products—I immediately find out what the lot number was and go back.

Mr. Peters: But he does not know.

Dr. Cooper: No, he does not know, but I know.

Mr. Peters: Is there any reason why he should not know?

Dr. Cooper: Well, why should he know?

Mr. Peters: He is the one making the complaint. How is he going to make the complaint against a particular company in a particular location?

Dr. Cooper: The registration number.

Mr. Peters: The registration number, Mi. Chairman, I would maintain, is probably held by a number of manufacturers.

Dr. Cooper: No, no. One person. One firm has one number.

Mr. Peters: Why would it be?

Dr. Cooper: Why?

Mr. Peters: If I hold a registration number for a specific product, I might ask four or five manufacturers to make this product for me.

Dr. Cooper: This you could do, but you are the registrant. You are taking full responsibility.

● 1110

As far as the farmer is concerned, he could not care less where it was manufactured as long as you are the

[Interprétation]

Le président: Merci. Monsieur Peters.

M. Peters: Est-ce que l'enregistrement, s'il s'agit d'un numéro, sera attaché à l'étiquette pour la vente au détail en même temps que le numéro d'enregistrement du produit lui-même? Est-ce qu'il y a une identification de l'usine qui s'occupe de la fabrication?

M. Cooper: Dans notre cas, seul le numéro d'enregistrement figure. L'usine, non. Nos produits ont un numéro de lot qui spécifie à quel lot ils appartiennent et par lequel on peut retrouver le lot, sa date et son lien de fabrication.

M. Peters: Comment?

M. Cooper: A cause du numéro. Par exemple: Le numéro C-0025 donne automatiquement l'endroit de fabrication et la date de fabrication. Donc, si j'apprends qu'un certain produit n'est pas excellent, si un certain nombre de cultivateurs se plaignent de ce produit, je peux immédiatement retracer le lot auquel il appartient.

M. Peters: Mais l'agriculteur ne doit-il pas le savoir?

M. Cooper: Non, il ne le sait pas, mais moi je le sais.

M. Peters: Y-a-t-il une raison de le lui cacher?

M. Cooper: Pourquoi voulez-vous qu'il le sache?

M. Peters: C'est lui qui se plaint, comment va-t-il se plaindre s'il ne sait pas quelle est la société et quel est l'endroit qui correspond au numéro de l'enregistrement.

M. Cooper: Le numéro d'enregistrement . . .

M. Peters: Monsieur le président, le numéro d'enregistrement; je maintiens que ces produits sont fabriqués par un grand nombre de fabricants.

M. Cooper: Une société possède un seul numéro.

M. Peters: Comment cela se fait-il?

M. Cooper: Comment.

M. Peters: Si j'ai un numéro d'enregistrement pour un produit particulier, je peux demander à quatre ou cinq fabricants de le fabriquer pour moi.

M. Cooper: Vous pouvez faire cela, mais c'est vous qui avez l'enregistrement, c'est vous qui êtes responsable. En ce qui concerne l'agriculteur, il se moque éperdument de l'endroit où le produit est fabriqué, tant que c'est à vous d'accepter la responsabilité. Si

[Text]

man who has to accept the responsibility. If anything happens through that product not being correct in strength or contamination or anything else and he suffers a loss, he can get redress for this loss, but it does not matter where that particular material is manufactured.

Mr. Peters: Would this number be available to the inspector?

Dr. Cooper: Oh, certainly, it is on the cans or—

Mr. Peters: No, no. Would the lot number provide the information to the inspector as to which plant it was manufactured in?

Dr. Cooper: Only if he asks. It is a company code; this is all it is; but of everything we manufacture, sir, we have to keep a retention sample. We do this for our own protection. Therefore, of every batch of material that is turned out a retention sample is retained for a period of at least two to five years, or until we feel that the product has disappeared.

Therefore, if you have a complaint two years from now against one of our products I can tell you when it was manufactured and I can also produce in a court of law the sample that was taken from the material that you used. This is one way we have of protecting ourselves against people who make fraudulent claims. We have to have some protection, too, and this is what the code number does on the lot number. It is the same in the veterinary drug and pesticides fields where it is extremely important, and we keep a retention sample of every lot we produce.

Mr. Peters: I may be wrong, but it seems to me that probably you have a point in clause 5 (d) in asking that there not be a fee for this registration. It is my opinion that some protection is really being provided if there is a plant registration number on the product.

An hon. Member: How much is the fee.

Mr. Peters: I do not think it really matters what the fee is. It has not been designated by Order in Council. We do not know what the fee is. There is none at the present time.

Mr. Horner: May I ask a supplementary?

The Chairman: Mr. Horner?

Mr. Horner: Under clause 5 (d) Mr. Cooper, as it is worded, could not a fee be actually levied against each product so manufactured?

Dr. Cooper: It is.

Mr. Horner: But as clause 5(d) is worded a fee could be actually levied on the manufacture for each product, and it always has been. The fee is actually always levied on each product manufactured.

[Interpretation]

quelque chose doit se produire si un produit n'est pas acceptable, n'est pas suffisamment fort ou s'il est contaminé et si l'agriculteur subit une perte, il peut obtenir des dommages et intérêts pour cette perte. Peu importe où ce produit a été fabriqué.

M. Peters: Est-ce que ce numéro d'enregistrement sera fourni à l'inspecteur?

M. Cooper: Bien sûr, certainement, il figure sur les bidons.

M. Peters: Non, non. Le numéro de lot donnera-t-il les renseignements nécessaires en ce qui concerne l'usine dans laquelle le produit a été fabriqué?

M. Cooper: S'il le demande seulement. C'est un code pour la compagnie, rien d'autre. Pour tout ce que nous fabriquons, monsieur, nous devons garder un échantillon, nous gardons l'échantillon pendant toute protection. Toute série de produits qui est envoyée correspond à un échantillon qui est conservé entre deux et cinq ans ou jusqu'au moment où ce produit a disparu, à notre avis.

Donc, si vous avez une plainte dans deux ans, au sujet d'un de nos produits, je peux vous dire quand il a été fabriqué et je peux vous donner l'échantillon qui a été pris du produit que vous avez utilisé. C'est la façon de nous protéger contre ceux qui se plaignent de façon frauduleuse. Il nous faut nous protéger aussi. Voilà ce que l'on peut obtenir avec le numéro de code. Pour les produits vétérinaires, c'est très important, tout comme pour les produits antiparasitaires. Nous gardons un échantillon pour chaque série que nous fabriquons.

M. Peters: Je crois que vous avez raison de demander qu'il n'y ait pas de droit en 5 (d). Mais il y a certainement une protection puisqu'il y a un numéro d'enregistrement qui donne l'usine. Cela n'a pas d'importance. Le droit importe peu. Il est déterminé par décret ministériel.

M. Horner: Une question supplémentaire rapide.

Le président: Monsieur Horner?

M. Horner: En application du paragraphe (d), monsieur Cooper, sous son libellé actuel, est-ce qu'on ne pourrait pas lever un droit sur chaque produit fabriqué?

M. Cooper: C'est le cas.

M. Horner: Un droit pourrait être demandé au fabricant pour chaque produit. Cela a toujours été le cas.

[Texte]

Dr. Cooper: For each registration number you get you pay a fee.

Mr. Whicher: On a supplementary. How much has that fee been in the past?

Dr. Cooper: The fee has been roughly \$20.

Mr. Whicher: It is something like getting married. You have to pay for it. What difference does \$20 make to big firms?

Dr. Cooper: Suppose we have five plants in which we manufacture.

Mr. Whicher: Yes.

Dr. Cooper: We have to register five plants. This then becomes \$100.

Mr. Whicher: How many new products do you put out each year?

Dr. Cooper: We are lucky if we put out one in five years.

Mr. Whicher: Then it is \$20.

Dr. Cooper: But there is registration every year, do not forget.

Mr. Whicher: Is the fee paid every year?

Dr. Cooper: Yes; we have a re-registration fee of \$5.00 rather than the \$20 initial fee; for each and every product.

Mr. Whicher: It seems to me that those of you who are paying 52 per cent corporation tax, are talking about small potatoes, relative to the monetary value of the fee. You may have something in principle, but the monetary value is very small.

Dr. Cooper: We are not here to discuss the monetary pros or cons at least, it is not my intention to do so. I am here mainly to discuss an act which we also may be interpreting wrongly.

However, we feel that the registration of controlled products is adequate and that establishments are only incidental and will become part of the registration. Perhaps we are interpreting this wrongly.

The Chairman: I would like to return to Mr. Peters.

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Mr. Peters: Mr. Chairman, I was not raising this relative to the fee. My point is that the farmer might have some protection by sending the carton of a particular pesticide back to the manufacturer so that he, or the inspector, would be able to ascertain from the label what plant had manufactured that particular product,

[Interprétation]

M. Cooper: On paie un droit pour chaque numéro d'enregistrement qu'on obtient.

M. Whicher: Une question supplémentaire. De combien a été ce droit dans le passé?

M. Cooper: D'une vingtaine de dollars.

M. Whicher: C'est comme quand on se marie, il faut payer. \$20 ne font pas une grande différence pour de grandes sociétés.

M. Cooper: Supposons que nous avons cinq usines dans lesquelles nous produisons.

M. Whicher: Oui.

M. Cooper: Si on doit enregistrer 5 usines, c'est \$100.

M. Whicher: Combien de produits fabriquez-vous chaque année?

M. Cooper: Nous en sortons un tous les cinq ans, si nous avons de la chance.

M. Whicher: Donc, c'est \$20.

M. Cooper: Mais, n'oubliez pas que l'enregistrement est annuel.

M. Whicher: Est-ce que vous payez le droit chaque année?

M. Cooper: Il y a un droit de réenregistrement de \$5 au lieu de \$20 pour le premier enregistrement.

M. Whicher: Et, comme vous payez 52 p. 100 d'impôts sur les sociétés,—ici il ne s'agit vraiment que de bagatelles—c'est très peu de chose. La valeur monétaire est très limitée.

M. Cooper: Nous ne parlons pas du pour et du contre du point de vue monétaire. En tout cas, je n'ai pas l'intention de le faire. J'essaie d'avoir une loi que nous interprétons peut-être mal, nous-mêmes, mais nous pensons que l'enregistrement de produits contrôlés est suffisant et que le reste est secondaire et que cela fait déjà partie de l'enregistrement.

Le président: Monsieur Peters.

M. Peters: Je ne pose pas de questions au sujet du droit. L'agriculteur pour être protégé, lorsqu'il se plaint d'un bidon, d'un produit antiparasitaire quelconque, il peut se plaindre au fabricant. Il pourra s'assurer immédiatement ou l'inspecteur pourra s'assurer en lisant l'étiquette qui a fabriqué et où a été fabriqué

[Text]

or whether it had been manufactured in more than one. It seems to me, therefore that there might be some advantage in having on it either the name of the plant and its address, or a registration number. You would probably agree to a plant registration number rather than the name and location.

What facility have you available, and how accurate is it, for labelling relative to potency and testing for residue under specific conditions, so that you can properly label that product as doing what you say it does?

Dr. Cooper: How extensive?

Mr. Peters: Yes; what facilities . . .

Dr. Cooper: To answer your question, sir, in our industry I know specific companies who hold patents on these materials. We have probably one of the most up-to-date labs in North America. . .

Mr. Peters: I do not mean from a chemical point of view. I am speaking from the farmer's point of view. He buys a product. He has no argument about what is in it, because he does not know—and he does not give a damn. He wants to know what potency it will have at the specified rate of use and also—the problem we are running into with new chemicals—whether there is a residue problem.

Are you leaving this up to the government? Are you putting out a product and then having the government prove you are wrong, or are you in a position to ascertain accurately what that product will do?

Dr. Cooper: I wish one of your statements was correct. Unfortunately, the government does nothing. We are talking about residues and potencies and so on. I maintain that all the government is doing is checking.

We have to supply the methods; we have to supply the data; we have to supply the whole of its ramifications. We do this in great detail and the government has the right to accept or reject our methods. They will try to duplicate the methods that we use, which is fine; we have no arguments; but when we recommend a rate and a use we know what those residues will be.

Mr. Peters: How do you know?

Dr. Cooper: Because we carry out hundreds and hundreds of tests.

Mr. Peters: Field tests?

Dr. Cooper: Field tests by the thousands; and I gather up material all across Canada and send products not only to our laboratory but to private laboratories to have them continually assayed for residue.

I must submit this data to the food and drug administration which in turn, will go over it. They will challenge my method, and from time to time they check on produce to see whether or not we are exceeding the tolerance level.

[Interpretation]

ce produit. C'est pourquoi il me semble qu'il serait peut-être avantageux d'indiquer le nom de l'usine et son adresse ou un numéro d'enregistrement.

Je pense que l'on pourrait peut-être donner l'emplacement de l'usine, l'adresse de l'usine. Quelles installations avez-vous et quelle est la précision de votre étiquetage, en ce qui concerne la puissance, les essais au sujet de certains résidus, sous certaines conditions, de façon à pouvoir étiqueter le produit de façon appropriée, pour vous assurer qu'il donnera les résultats spécifiés.

M. Cooper: Vous parlez de l'étendue?

M. Peters: Oui; quelles installations . . .

M. Cooper: Pour répondre à votre question, monsieur, je connais des sociétés particulières qui détiennent un brevet sur ces produits. Nous avons sans doute les laboratoires les plus modernes d'Amérique du nord.

M. Peters: Je ne parle pas du point de vue chimique. Je parle de l'effet pour l'agriculteur. L'agriculteur achète un produit, il ne sait pas du tout ce qu'il y a dedans, il s'en moque, d'ailleurs. Il veut savoir quelle est la puissance du produit, quel effet il aura lorsque on l'utilise à une certaine concentration. Et, avec le nouveau produit chimique, nous avons des problèmes de résidus. Est-ce que c'est au gouvernement de faire les essais? Est-ce que vous fabriquez le nouveau produit, est-ce au gouvernement de prouver que cela ne va pas?

M. Cooper: J'aimerais bien que vous ayez raison. Malheureusement, le gouvernement ne fait rien. Nous parlons des résidus, de la teneur, de la puissance, etc. Tout ce que le gouvernement fait, c'est de vérifier. Nous devons fournir les méthodes, nous devons donner tous les renseignements, nous devons tout fournir. Maintenant, nous faisons cela en détail et le gouvernement a le droit d'accepter ou de rejeter nos méthodes. Il essaie de reproduire les méthodes que nous utilisons. C'est très bien, mais nous ne nous y opposons certainement pas. Nous recommandons un taux et une utilisation et nous saurons quels seront les résidus.

M. Peters: Comment le savez-vous?

M. Cooper: Nous faisons des centaines et des centaines d'essais.

M. Peters: Des essais pratiques?

M. Cooper: Des essais pratiques par milliers et j'obtiens des données dans tout le pays. Je les envoie, non seulement à nos laboratoires, mais à des laboratoires privés pour nous assurer qu'ils font des expériences continues au sujet des résidus. Je soumetts les résultats à l'Administration des aliments et drogues qui les étudiera et qui examinera mes méthodes et, de temps à autre, elle vérifiera le produit pour savoir si nous dépassons le niveau de tolérance.

[Texte]

Mr. Peters: How do you operate in this way prior to your registration being certified?

Dr. Cooper: We go and pay for, or hire, small fields, or field trials, or we have the federal or provincial research department carry out tests for us. They are treated with a chemical at different rates, are harvested and the balance of the crop is destroyed. This we have to do, and have to pay for, because this produce cannot enter into trade.

We do this all across Canada, at usually from eight to ten locations, so that we have a difference in soil conditions and in weather conditions, and so on. Therefore, we know when we market a product that if the recommendation on the label is followed correctly no residue hazard will result, and that it will be effective for its prescribed use. If we say, "Use eight ounces per acre," you will get control, under normal conditions, with that particular rate.

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Mr. Peters: On this eight ounces how much of a tolerance would there be? How much of a safety factor do you have?

Dr. Cooper: In the case of residue we would be working at a minimum of probably 100 to 150. One hundred is the bare minimum with which we are working, and usually it is more than that because the rates are not set by tolerance alone.

Mr. Peters: One hundred would be no tolerance. It would be exactly eight ounces. One hundred and fifty would give you some, but 100 would not, would it?

Dr. Cooper: I am not quite sure that I follow you.

Mr. Peters: Obviously, under given circumstances, tolerance of 100 would be the maximum use of that product to produce under ideal conditions the maximum effect without any bad effects. There would be no tolerance. The tolerance would be the amount of protection; if you say to use eight ounces you would have to be able to use perhaps 16 ounces without producing a dangerous effect.

Dr. Cooper: Yes; this depends what we are looking at. If we are looking at the rate, we usually work at three rates if we are doing residue work. This would be "x", "2x" and "3x" so that we have a picture. If by mistake you doubled the dose we would know what the effects would be. When they set the tolerance for that eight ounce rate for that given product at, say, five parts per million, this has a safety factor of a hundred plus so that quite conceivably you could go to 16 ounces without getting near a dangerous level, but we know the residue picture.

Mr. Peters: What information is put on the red tag when an inspector goes into your plant and red tags something? What information is on this red tag, be-

[Interprétation]

M. Peters: Comment faites-vous avant que votre enregistrement soit certifié?

M. Cooper: Comment faisons-nous? Nous payons ou nous engageons des gens qui s'occupent des faits pratiques où nous avons des services de recherches ou alors des laboratoires provinciaux font des essais pour nous. On fait des traitements avec des produits chimiques, avec différentes teneurs et la récolte est faite et ce qui reste est détruit, car les produits ne peuvent certainement pas être vendus dans le commerce. C'est pourquoi la récolte est détruite.

Nous faisons cela dans tout le Canada. Nous faisons cela entre huit à dix endroits différents. Nous avons donc différentes conditions de sol, différentes conditions climatiques, etc. C'est pourquoi nous savons que lorsque nous vendons un produit, avec recommandations sur l'étiquette, si elles sont suivies soigneusement, il n'entraînera aucun danger en ce qui concerne les résidus. Et, ce produit sera efficace. Dans des conditions normales, nous obtiendrons donc des résultats normaux.

M. Peters: Quel est le facteur de sécurité?

M. Cooper: En ce qui concerne les résidus? Nous travaillons à un minimum de 100 à 150. 100 est un minimum absolu. Et, en général, nous allons plus loin que cela car les taux ne sont pas fixés par les tolérances.

M. Peters: 100 ne représente aucune tolérance? C'est 8 onces, protection maximum? 150, mais 100 ne vous donnerait rien, n'est-ce pas?

M. Cooper: Je ne suis pas sûr de vous suivre.

M. Peters: La tolérance, dans les circonstances données, serait de 100 et représenterait l'utilisation maximum du produit, dans des conditions idéales, pour donner un effet maximum sans aucun effet néfaste, sans tolérance. La tolérance constituerait la protection supplémentaire, si l'on demande d'utiliser 8 onces, il faudrait pouvoir utiliser 16 onces, sans causer d'effets dangereux.

M. Cooper: Oui, bien sûr. Tout dépend du point de vue. Si on examine la teneur, nous avons, en général, trois teneurs. Si nous étudions les résidus, il y aurait X, 2X, 3X. Mais si par erreur vous doublez la dose, nous pourrions constater les effets produits. Si la tolérance d'un produit dont la teneur est de 8 onces est fixée à 5 parties par million, il y a un facteur de sécurité de plus de 100. Donc, il est parfaitement concevable qu'on puisse aller jusqu'à 16 onces sans créer un niveau dangereux, mais il ne faut pas oublier l'aspect des résidus.

M. Peters: Quels renseignements y a-t-il sur l'étiquette rouge lorsque l'inspecteur pose une étiquette rouge? Qu'est-ce qu'il y a sur cette étiquette rouge,

[Text]

cause as I understand it he comes in without a warrant? They actually give him power to enter your premises and to interfere with your operations. What information does he have to put on that red tag?

Dr. Cooper: He does not have to give us any. He just prohibits sales.

Mr. Peters: Does he not at that time have to provide the chemical analysis?

Dr. Cooper: I cannot answer that one; I will to ask Mr. Kennedy.

The Chairman: Mr. Kennedy?

Mr. Kennedy: Mr. Chairman, he would not have to give it at that time. Subsequently you could get an analysis as produced in a government laboratory, but usually the inspectors pick samples in the field. I do not know of any instances where they come into the plant for in-plant inspection.

May I just digress for a moment here because I think there is a practical question that has been asked and has not been answered? I am primarily a production man so I look at this in-plant inspection and registration perhaps in a different way.

First of all, in producing pesticidal products that are registered, analysis is on the label and our companies want to produce to this analysis. During the process of making these compounds or formulating them there is a constant check by our control laboratories to determine whether the product is coming up to specifications. Furthermore, it is not shipped out or offered in trade, it does not leave our premises, until such a time as it does come up to these specifications; otherwise it does not go out.

As Dr. Cooper has said, retain samples of each batch, if it is a batch process, are kept for a minimum of two to five years depending upon the activity of the product in the field, how fast it disappears in commerce.

As for in-plant inspection, we do not see any real need for this. The products, as I said, are controlled through control laboratories to the registration label specifications and to our own, which are often much more definitive in the content of specifications than the required specifications of the label. Concerning the safety of the people in the plants, we are constantly inspected by provincial authorities and municipal authorities for safety of the operators producing the products and as to contamination of these products if there is more than one product produced in the plant.

● 1125

Concerning registration of the plant, I presume it would be possible the way it is stated here to have a registration of each product produced in that in-plant establishment, wherever it might be. To us this appears

[Interpretation]

car il agit sans mandat, si je comprends bien? Il peut pénétrer dans vos locaux et même nuire à l'exploitation. Que doit-il indiquer sur l'étiquette rouge?

M. Cooper: Il n'est pas obligé d'indiquer quoi que ce soit. Il ne fait qu'interdire la vente.

M. Peters: Ne doit-il pas donner les résultats de l'analyse chimique?

M. Cooper: Je ne peux pas répondre à cette question.

Le président: Monsieur Kennady?

M. Kennedy: Il n'est pas nécessaire qu'il le fasse à ce moment-là. Il peut, par la suite, vous donner le résultat d'une analyse faite dans un laboratoire d'État, mais en général, l'inspecteur prend ses échantillons dans les champs. Je ne connais pas de cas où l'inspecteur ait pénétré dans l'établissement pour y effectuer une inspection. Je crois qu'il y a une question d'ordre pratique qui a été posée et à laquelle on n'a pas répondu. Je m'occupe essentiellement de la production, c'est pourquoi je vois l'inspection et l'enregistrement sur place d'une façon différente.

En premier lieu, pour la production de pesticides enregistrés, les résultats de l'analyse figurent sur l'étiquette et la société s'efforce d'y conformer son produit. Lors de la fabrication de ce mélange, il y a une vérification constante par le laboratoire de contrôle pour s'assurer que le produit correspond bien aux normes. De plus, il n'est pas vendu sur le commerce, ni expédié, il ne quitte pas l'établissement tant qu'il ne correspond pas aux normes.

Comme l'a dit M. Cooper, nous conservons des échantillons de chaque lot, pour au moins deux à cinq ans, selon la consommation du produit dans le commerce.

En ce qui concerne les inspections dans les usines, nous n'en voyons pas l'utilité. Comme je l'ai dit, nous avons des laboratoires de contrôle pour nous assurer que le produit correspond aux normes de l'étiquette d'enregistrement et à nos propres normes qui sont beaucoup plus rigides. Pour ce qui est de la sécurité dans les usines, il y a des inspections périodiques des autorités municipales et provinciales, sur la sécurité de ceux qui produisent ces produits et les possibilités de contamination lorsque plusieurs produits sont fabriqués dans l'usine.

En ce qui concerne l'enregistrement de l'usine, je pense qu'il serait possible, d'après le libellé du bill, d'enregistrer chaque produit fabriqué dans une usine. Pour nous, c'est simplement un double de l'enregis-

[Texte]

to be just a duplication of a registration we already have to offer the product in commerce.

The Chairman: Thank you, Mr. Kennady. Mr. Peters?

Mr. Peters: Mr. Chairman, concerning this red tagging, I am not familiar with any of these pesticides—it is a long time since I farmed—but I know in the Food and Drug Directorate when an inspector comes in and puts a seizure on a cheese factory, or something of this nature, while the Act does not demand he do certain things he does certain things, and one of them is to provide the operator with the reason why the seizure is applied.

It is a holding seizure, quite often, until he can make a number of tests but he has to provide certain information and he does that, and when the situation is corrected then that product can be untagged by the inspector. This is why I asked what information was provided. Just because somebody laid a charge against a product that would not, in my opinion, warrant red tagging it because there would be a number of factors involved that do not involve the chemical analysis of the particular product.

The Chairman: Dr. Cooper?

Dr. Cooper: In the past we have had no particular problems. However, in the fertilizer end of it which is another section, the inspector can come in and if there is a deficiency or he feels that there is, he can actually put red tags preventing the sale on that material and you cannot remove this until you have satisfied the inspector or his superior that this has been corrected.

Either you take the product back and rework it to come up to guarantee or you may at times sell it under the analysis that it actually came out to be, so that you can red tag it and it can be held. However, I think we were using this more as an example of why we wanted the right of appeal. We do not feel we are going to have any particular problems with this, but we want the right of appeal. The same thing is in Clause 5 Subclause (k):

respecting the packaging, labelling and advertising of control products and packages thereof;

Suppose the government or somebody in the government, some individual, decided we were to use a brown octagon shaped glass with a rubber-stopper. This is packaging, right? They could tell us, but who knows packaging better than the companies do? Perhaps that product cannot be held in a brown octagon rubber-stopped bottle. We would want the right of appeal to indicate our side and that we cannot package this in this particular type of bottle because of these facts. So, all we are illustrating primarily in some of these examples is the need for appeal so that we get more than one man's decision.

[Interprétation]

trement déjà nécessaire pour lancer le produit sur le marché.

Le président: Merci, monsieur Kennady. Monsieur Peters.

M. Peters: En ce qui concerne ces étiquettes rouges, je ne connais pas les pesticides puisqu'il y a longtemps que j'ai abandonné l'exploitation agricole. Mais je sais que dans la Direction des aliments et drogues, lorsqu'un inspecteur interdit un produit quelconque, même si la loi n'exige pas qu'il fasse certaines choses, il les fait quand même, et il donne notamment au fabricant les raisons pour lesquelles un produit est saisi. Il s'agit bien souvent d'une saisie temporaire pendant qu'il fait des essais. Mais il doit fournir certains renseignements et il le fait, et lorsque la situation est rectifiée, l'interdiction est levée par l'inspecteur lui-même. C'est pourquoi j'ai demandé quels renseignements sont fournis. Le fait qu'une personne porte plainte contre un produit n'entraîne pas automatiquement l'interdiction car il peut y avoir des facteurs qui entrent en jeu et qui n'exigent pas une analyse chimique de ce produit en particulier.

Le président: Monsieur Cooper?

M. Cooper: Par le passé, nous n'avons pas eu de difficultés particulières. Cependant, dans le domaine des engrais,— il s'agit d'un autre produit,—un inspecteur peut venir, et s'il constate ou soupçonne une insuffisance, il peut poser l'étiquette rouge qui empêche la vente de ce produit. Et on ne peut pas l'enlever avant d'avoir convaincu l'inspecteur ou ses supérieurs que la situation a été rectifiée. Soit que le produit est repris pour le conformer aux normes soit qu'il soit vendu selon la formule chimique qui a été révélée à l'analyse. Donc on peut mettre cette étiquette rouge et l'interdire. Nous nous sommes simplement servis de cet exemple comme une raison pour laquelle nous voulons un droit d'appel. Nous ne pensons pas que nous aurons de difficultés particulières à ce sujet, mais nous voulons avoir le droit d'appel. C'est la même chose pour l'article 5, paragraphe (k):

Concernant l'emballage, l'étiquetage, et l'annonce de produits antiparasitaires et des colis les contenant.

En supposant que le gouvernement, ou un fonctionnaire, voulait que l'on se serve d'un verre octogonal brun avec un bouchon en caoutchouc, c'est un emballage, n'est-ce pas? Mais qui connaît mieux l'emballage que l'entreprise? Peut-être que la bouteille octogonale brune avec un couillon en caoutchouc n'est pas l'emballage voulu. Nous voulons avoir un droit d'appel pour vous exprimer notre avis, pour expliquer pourquoi on ne peut pas emballer tel produit dans une bouteille de ce genre à cause de telle et telle raisons. Donc, nous illustrons essentiellement par ces exemples, vous la nécessité de pouvoir faire appel de façon que la décision ne soit pas laissée à une seule personne.

[Text]

[Interpretation]

Mr. Peters: Mr. Chairman, I agree they should have the right to appeal, but they have made a damn poor case for it to date. I really do not see where there has been any particular problem in the past, although I presume there has been. It is my opinion that they should have the right to appeal against a decision. I think this should be inherent in all this legislation, but in my opinion the witnesses have not made much of a case for it, although I think there is a case.

M. Peters: Monsieur le président, je suis tout à fait d'accord qu'ils aient le droit de faire appel, mais jusqu'ici ils n'ont certainement pas justifié leur cause. Je ne vois pas où il y a eu des problèmes dans le passé, bien que je suppose qu'il y en ait eu. Je crois qu'ils devraient avoir le droit d'en appeler d'une décision. Toutes les mesures législatives devraient renfermer une telle disposition, mais les témoins n'ont pas justifié leurs réclamations.

● 1130

M. La Salle: À propos du droit d'appel, le député de Laval (M. Roy) a dit, si j'ai bien compris, que cela pourrait permettre, par exemple, à un produit dangereux de rester sur le marché pendant un certain temps. Je croyais que le droit d'appel permettait à la compagnie d'exiger de la part de l'inspecteur une analyse plus rapide pour permettre au produit, s'il n'est pas vraiment dangereux, d'être remis le plus tôt possible sur le marché; car, il faut tenir compte du dommage que cela pourrait causer à l'Association. J'aimerais avoir une explication.

Mr. LaSalle: With regard to the right of appeal, the member for Laval (Mr. Roy) said, if I understood him rightly, that this could allow a dangerous product to remain on the market for a certain length of time. I thought personally that the right of appeal would allow the company to require from the inspector a more speedy analysis, so that if the product is not really dangerous it can come back on the market sooner, for the damage suffered by the Association must be taken into account. I would like to have an explanation.

Dr. Cooper: Yes, certainly. To answer your question specifically, we would not want a product held up six months—we would want some action taken. Normally the action is such that there would be no red tagging done until a deficiency was shown up. This is the general procedure. However, as this is outlined here, it is possible for a man to do something beyond what the current procedure is, and he could hold it up for six months. All we are asking is that if such a thing did occur we would have the right to appeal, to say that this is being unjustly held and that we want some action taken on it. We would like to speed it up because we feel six months is far too long.

M. Cooper: Oui, certainement. Pour répondre de façon précise à votre question. Nous ne voudrions pas qu'un produit soit interdit pour six mois. Nous voudrions qu'on prenne des mesures. Normalement, la façon de procéder est telle qu'il n'y aurait pas d'interdiction jusqu'à ce qu'on ait démontré que le produit est défectueux. C'est la procédure normale. Toutefois, de la façon dont le décrit le Bill, ce serait possible qu'une personne fasse plus que la procédure normale et ainsi retenir le produit pendant six mois. Tout ce que nous vous demandons, c'est que si cela se produit, nous aimerions avoir le droit d'appel pour prouver que le produit est retenu injustement. Et, que nous voudrions que des mesures soient prises. Nous voudrions accélérer les choses. Nous croyons que six mois c'est beaucoup trop long.

The Chairman: Thank you, Dr. Cooper. I recognize Mr. Whicher.

Le président: Merci docteur Cooper. M. Whicher.

Mr. Whicher: Our friend said he was in the production business more than in other lines. May I ask him how many products in his plant he has had red tagged in the last year?

M. Whicher: Notre ami a dit qu'il est du domaine de la production. Est-ce que je peux vous demander combien de produits de votre usine ont été étiquetés depuis un an?

Mr. Kennady: I can only recall one, sir, and that was on the basis of analysis.

M. Kennady: Un seul, sur la base d'une analyse.

Mr. Whicher: Before it got out?

M. Whicher: Voulez-vous dire avant que le produit soit sorti?

Mr. Kennady: Are you talking about in plant or in the field?

M. Kennady: De l'usine ou dans les champs?

Mr. Whicher: No, in the plant.

M. Whicher: Non, de l'usine.

Mr. Kennady: From our own experience?

M. Kennady: D'après notre expérience personnelle?

Mr. Whicher: Yes.

M. Whicher: Oui.

Mr. Kennady: None in agricultural chemicals, sir.

M. Kennady: Aucun de nos produits agricoles.

[Texte]

Mr. Whicher: That is what I mean. It does not seem to be a very serious problem.

Mr. Horner: These people here do not represent more than one plant.

Mr. Whicher: Yes, I know, but he told me that he was in the production business and that he has not had one experience in the last year. How many have you had in the last five years?

Mr. Kennady: Probably two, sir, and this was operator error which we caught in the process of manufacturing the product.

Mr. Whicher: Mr. Chairman, I do not have another question but I want to make a remark. Evidently, when you have two in five years, it still can be a serious problem. However, I feel that Mr. Clermont made a very solid point when he suggested that members of the staff should be here to answer some of these questions.

A great deal of our deliberations this morning has been on the fee situation and the right of appeal. Although I have only heard Mr. Horner a few times, he gave one of his better efforts this morning when he said that these people should have the right of appeal. Mr. Horner said that he had a good man in his place last week but, had he been here, he would have known that the staff of the Department of Agriculture said that by regulation there would be a right of appeal.

Mr. Horner: On a point of order, the regulations can be changed without consulting Parliament, the Committee or anyone else. The right of appeal should be written in the act, as is provided for in Bill C-154. This is the point that I was trying to make and this is the point that this brief before us is making.

Mr. Whicher: Mr. Horner may be very loud but, on the other hand, —

The Chairman: Order, please.

Mr. Whicher: —the fact is that he and his party may be against the regulations. As a matter of fact, in many instances I am too. I noticed that during the Diefenbaker years you fellows were not opposed to regulations as much as you are right now. But at the same time I want to say —

● 1135

Mr. Horner: Now just —

The Chairman: Order, please. We have had some transgression. We must remember that we have witnesses before us to be questioned. I think other remarks really do not contribute to our making progress.

Mr. Horner: I agree with you, Mr. Chairman.

I want to raise a question of privilege.

[Interprétation]

M. Whicher: Il me semble que le problème n'est pas tellement grave.

M. Horner: Ces personnes ne représentent qu'une seule usine.

M. Whicher: Oui, mais il a dit qu'il était du domaine de la production et qu'il n'a pas eu d'interdiction depuis un an. Combien depuis cinq ans?

M. Kennady: Environ deux. Et il s'agissait d'erreurs dans le procédé de fabrication de ces produits.

M. Whicher: Je n'ai pas d'autres questions à poser mais je voulais faire remarquer que même s'il n'y a eu que deux interdictions en 5 ans, ça pourrait constituer un problème grave. Mais je crois que M. Clermont avait vraiment raison quand il a proposé d'inviter un des fonctionnaires de l'Agriculture à venir répondre à certaines de ces questions.

Une grande partie de nos délibérations ce matin portait sur la question des frais et du droit d'appel. Je n'ai entendu M. Horner que très peu souvent, mais ce matin il s'est vraiment démené lorsqu'il a dit que ces gens devraient avoir le droit d'appel. M. Horner dit qu'il a été remplacé par un homme compétent la semaine dernière, mais s'il avait été ici lui-même, il aurait su que le personnel du ministère de l'Agriculture a dit que, dans le règlement, il y aura un droit d'appel.

M. Horner: J'en appelle au Règlement. Le règlement peut être modifié sans que le Parlement, ni le comité, soit consulté. On devrait insérer le droit d'appel dans la Loi tout comme on le trouve dans le bill C-154. C'est ce que je voulais faire remarquer, comme l'a fait le mémoire.

M. Whicher: M. Horner parle très fort, mais, par ailleurs, ...

Le président: A l'ordre.

M. Whicher: Le fait demeure que lui et son parti sont peut-être contre le règlement. Je le suis moi aussi pour certains points. J'ai remarqué qu'au cours du règne de M. Diefenbaker, vous n'étiez pas opposé au règlement, pas autant que vous l'êtes à l'heure actuelle. Mais je voudrais ajouter que ...

M. Horner: Un instant.

Le président: Un peu d'ordre, s'il vous plaît. Il y a des infractions ici. N'oubliez pas que nous avons des témoins ici auxquels nous devons poser des questions. Les autres observations n'apportent absolument rien à la discussion.

M. Horner: Une question de privilège. Je suis d'accord avec vous monsieur le président.

[Text]

The Chairman: Mr. Whicher, would you address your questions to the witnesses, please?

Mr. Whicher: I will carry on.

Mr. Horner: Mr. Chairman, I have a question of privilege which takes precedence over any questions or points of order.

Mr. Chairman, the member imputed that we were against regulations and are against regulations now. Such is not the case. Neither I in this Committee nor the Conservative Party at any time has ever suggested that we are against regulations.

All we are saying is that the right of appeal should be written into the act, not in the regulations. And we are just being told they may be in the regulations—we have not seen a copy of the regulations of any of these acts. As we have said time and time again, we are not against regulations, we realize that regulations have to be made to apply the act but we believe that the right of appeal should be written in the act. I would hope I have made this abundantly clear.

Mr. Whicher: Mr. Horner, if I have hurt your feelings then I would certainly apologize, because we would not want to do that. My point was to bring to the witnesses' attention—they have very fine briefs, and I do not blame them for being worried about the right of appeal—that the Minister said last week that through regulations, which is a matter of policy—whether it is good or bad, some are for it and some are against it—there definitely would be a regulation giving the right of appeal.

That is why, Mr. Chairman, we should have members of the staff here. They should be here to verify these statements such as the one that I am now making. Some senior official of the department should be here to set these witnesses' minds at ease and to assure them that they are not just going to be led down the garden path.

Furthermore, in the matter of fees I think that we should have a member of the department here to give their side of the story. There is a missing link here. In any event, members of the department should be here so that they can be questioned. Mr. Chairman, I certainly do not pretend to be the most efficient man—as a matter of fact, in many instances I am very inefficient—but I feel that for the sake of efficiency around this table we should have members of the department here on all occasions.

The Chairman: I think that the Committee will agree that there are two ways of approaching this. It was certainly the thinking of the Chair that we would give our undivided attention to the witnesses this morning and that the members of the Committee then would have an opportunity of questioning representatives of the department on another occasion or later in this meeting, if we had concluded questioning of the

[Interpretation]

Le président: Monsieur Whicher, pourriez-vous s'il vous plaît, vous en tenir à interroger les témoins.

M. Whicher: Oui, Monsieur le président.

M. Horner: J'ai une question de privilège à soulever qui a préséance sur tous les appels au règlement.

Monsieur le président, le député a laissé croire que nous étions opposés au règlement et que nous sommes toujours contre le règlement. Ce n'est pas le cas. Je n'ai jamais, dans ce Comité, et les conservateurs n'ont jamais laissé entendre qu'ils étaient contre le règlement.

Nous disons simplement que le droit d'appel devrait être inséré dans la Loi et non pas dans les règlements, ou ne pas censé être dans le règlement. On peut nous dire qu'ils sont censés être dans le règlement, mais nous n'avons pas vu le règlement en question. J'ai déjà soulevé cette question. J'espère que c'est clair. Nous ne sommes pas contre le règlement, nous savons qu'il doit s'appliquer à la Loi, mais nous croyons que le droit d'appel devrait être inséré dans la Loi.

M. Whicher: Si je vous ai blessé, je m'excuse car ce n'est pas notre intention. Mais je voulais attirer l'attention des témoins. Le mémoire qu'ils nous ont présenté est excellent. Je ne les blâme pas du tout de se préoccuper du droit d'appel. Mais, le ministre a dit la semaine dernière, que le règlement, et c'est une question de principe, qu'il soit bon ou mauvais, il y en a qui sont pour, d'autres contre, mais il a dit qu'il y aurait un règlement où vous auriez le droit d'appel.

Je crois, monsieur le président, que c'est la raison pour laquelle nous devrions avoir des fonctionnaires du ministère ici pour vérifier et confirmer les déclarations comme celle-ci. Nous devrions donc avoir des fonctionnaires supérieurs du ministère pour rassurer les témoins qu'on ne veut pas les tromper.

De plus, je crois que les fonctionnaires pourraient donner leur côté de l'histoire en ce qui concerne les frais. Les témoins nous ont conté la leur. Il y a un chafon qui manque et, ce sont les fonctionnaires du ministère auxquels nous pourrions poser des questions. Monsieur le président, je ne prétends pas être l'homme le plus efficace au monde, parfois je suis même inefficace, mais je trouve que pour accroître l'efficacité de notre comité, nous devrions avoir des fonctionnaires du ministère en permanence ici.

Le président: Merci. Je crois que le Comité est d'accord qu'il y aurait deux façons d'aborder le problème. Je crois que le président du moins était d'avis que nous devrions consacrer toute notre attention aux témoins, ce matin, et que les membres du Comité auraient ensuite l'occasion de poser des questions aux représentants du ministère peut-être plus tard, au cours de la présente séance. Si nous avions terminé notre interrogatoire des témoins. Il y aurait peut-être d'autres façons de procéder, mais c'est la façon dont

[Texte]

witnesses. Maybe there are other ways of doing it but that was the way we approached it this time.

I would like to recognize Mr. Cobbe.

Mr. Cobbe: Thank you, Mr. Chairman. Dr. Cooper, may I refer to what we may call the licensing of a plant. I think we all agree that the purpose of the act is to protect the farmer, the manufacturer and everyone concerned. I am a firm believer that all plants where such produce is being manufactured or assembled should be licensed to afford adequate protection. For example, if I chose to go into this type of business and there was no control over my plant operation then adequate protection would not be afforded you. In my opinion, it is most important to license a plant that produces or assembles the product.

Dr. Cooper: I am very interested in your appraisal of this. However, who would set up the standards and who would be responsible for maintaining them? I think it can only be predicated upon the registration of the product, what is supposed to go into the product, and the name. I cannot see where licensing a plant is going to protect the farmer, I cannot see where it protects the manufacturer at all in that he is supposed to manufacture that which he is representing—and if he does not, then he is guilty of a misdemeanour and is chargeable under this proposed act. Where does registration of a plant help the farmer?

• 1140

Mr. Cobbe: I feel it is quite possible that an error could be made in the plant. Possibly there are other commodities around which could get into your production. I admit I am not totally familiar with it, but when we speak of protection to the farmer we mean that the farmer has the right of appeal and is granted a sum of money. However, I think we are totally aware that you never recover 100 per cent, and every step that can be made toward protection should be followed.

Dr. Cooper: May I state that I have been involved in many lawsuits as an expert witness, and in this way involved directly, and in many, many cases the farmer has received 100 per cent more than he should have received. In many, many cases just settlement has been made to the farmer by the chemical company if the mistake was made within the plant.

In fact, I know of a chemical company that settled the other day strictly because the mistake was made within the plant, and the company said, "We admit the mistake. We are paying you full compensation". This was for a crop which the farmer had only partially lost, but he received full compensation for the complete crop. So, the farmer has good protection against chemicals. In fact, in my opinion the chemical companies have no protection. I will be honest. I am not trying to defend the chemical companies, but I hope some day I will go into court and win a case. I have yet to win a case against misuse.

[Interprétation]

nous avons envisagée la chose ce matin. La parole est à M. Cobbe?

M. Cobbe: Quand nous avons parlé de l'enregistrement d'une entreprise, je crois que nous sommes tous d'accord, que la Loi est destinée à protéger le cultivateur, le fabricant et tous ceux qui sont en cause. Je crois fermement que toutes les entreprises où l'on fabrique ou mélange ces produits devraient avoir un permis d'exploitation pour leur propre protection. Si je me lance dans de telles entreprises et qu'il n'y a aucun contrôle sur mon exploitation, je ne me sentirais pas suffisamment protégé.

M. Cooper: Votre opinion est fort intéressante. Toutefois, qui établira les normes et qui sera responsable de les appliquer? Je trouve qu'on ne peut les justifier que si on exige l'enregistrement des produits, de leurs composantes, et de son appellation. Je ne vois pas du tout comment le permis d'exploitation va protéger le cultivateur ni le fabricant qui doit fabriquer ce qu'il s'est engagé à fabriquer. S'il ne le fait pas, il est coupable et on doit lui intenter un procès en vertu de cette loi.

Quand le permis d'exploitation aide-t-il le cultivateur?

M. Cobbe: Je crois qu'il se peut qu'il y ait des erreurs dans l'usine et dans le domaine d'autres produits qui entrent dans le composé de votre produit.

Quand nous parlons de protection du cultivateur et que le cultivateur a le droit d'appel et qu'on lui donne une certaine somme d'argent, je suis sûr que nous savons tous qu'on ne récupère jamais 100 p. 100 de tout ce qu'on perd, et tout ce qu'on peut faire pour le protéger devrait être fait.

M. Cooper: J'ai probablement été témoin, expert-témoin, dans plusieurs causes et le cultivateur a plus d'une fois reçu beaucoup plus que ce qu'il aurait dû recevoir. Dans plusieurs cas, le cultivateur a reçu un règlement très équitable de la part du fabricant de produits chimiques.

En fait, je connais un fabricant de produits chimiques, qui, juste l'autre jour, réglé une cause parce qu'il y avait eu erreur de la part de la compagnie. La compagnie a admis son erreur et a rémunéré au complet le cultivateur pour la perte de toute sa récolte alors qu'il n'en avait perdu qu'une partie.

Le cultivateur est donc vraiment bien protégé contre les produits chimiques. En fait, à mon sens, ce sont les fabricants qui n'ont aucune protection. Honnêtement, je n'essaie pas de défendre les fabricants de produits chimiques, mais un jour j'espère que je pourrai gagner une cause. Je n'ai jamais gagné une cause dans le cas d'un mauvais emploi du produit.

[Text]

Mr. Cobbe: I have never seen anybody go into a court and win, but I think in an effort to keep it out of court it is an advantage to both parties to have as much protection as possible and therefore I feel that inspection of a plant or licensing of a plant is important.

Dr. Cooper: You see, the thing that worries me—if I may just take a further moment of your time—if we go back to the first page of Bill C-157, Clause 2, Interpretation, subclause (c) states:

(c) “control product” means any product, device, organism, substance or thing that is manufactured, represented, sold or used as a means for directly or indirectly controlling, preventing, destroying, mitigating, attracting or repelling any pest. . .

When you look at all of these things, all of the things that go in there, we are going to have to register practically everything we do, nearly every plant we own, because a lot of our material goes indirectly into this — not directly, but indirectly. I simply question the intent of this subclause. We can only go on what is shown here, and when you look at this and this, what does it mean? I do not know.

It refers to a “control product”, which even means shovels and hoes and so forth—which are all part of pest control—and the oils or the intermediate products that go in, which indirectly become part of the control product. Where do we start and where do we stop in this registration? These are the areas that I am not sure of.

The Chairman: Gentlemen, we have reached the hour of adjournment. In view of the fact that we have out of town witnesses present, I wonder if the Committee would be agreeable to sitting until 12 o'clock with the hope that we might conclude?

Some hon. Members: Agreed.

The Chairman: On my list I have the names of some gentlemen who have not had an opportunity of asking any questions this morning and I would like to give them an opportunity first.

Mr. Cobbe: I just have one more question.

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The Chairman: I will recognize you, Mr. Cobbe, to conclude your questions.

Mr. Cobbe: I will be very brief. Dr. Cooper, the final paragraph of clause 9(2) on page 6 commences with the words “unless before”. This would indicate to me that the word “unless” refers to the fact that there has been an appeal or that there has been an opportunity for consultation between the party that rejected the product and the company that produced it.

[Interpretation]

M. Cobbe: Je n'ai jamais vu qui que ce soit qui ait gagné devant le tribunal, mais afin de donner la plus grande protection à toutes les parties en cause, l'inspection de l'usine, ou le permis d'exploitation, à mon sens, serait utile et important.

M. Cooper: Si je puis prendre juste une minute: ce qui me préoccupe, c'est, si nous revenons au bill C-157, à l'article 2 c):

«produit, antiparasitaire» signifie un produit, un dispositif, un organisme, une substance ou une chose qui est fabriqué, représenté, vendu ou utilisé comme un moyen en vue de contrôler, empêcher, détruire, amoindrir, attirer ou repousser, directement ou indirectement, un parasite . . .

Quand vous examinez toutes ces choses, quand vous voyez tout ce qui entre dans ce paragraphe, il nous faudra enregistrer pratiquement tout ce que nous faisons, car indirectement, beaucoup de choses entrent dans ces choses, non pas directement mais indirectement, et alors pour revenir à votre question quant à savoir l'interprétation de cela, nous devons nous fier à ce que nous avons devant nous qui est tout de même la loi, et lorsque vous examinez cette terminologie, qu'est-ce que cela signifie? Je ne le sais pas moi.

Quand on dit «un produit en vue de contrôler» les huiles, ou le produit intermédiaire, ou les composantes, ou les ingrédients qui deviennent partie du produit de contrôle, où arrêtons-nous, et où commençons-nous cet enregistrement? Voilà les domaines dont je ne suis pas sûr.

Le président: Messieurs, nous en sommes arrivés à l'heure d'ajournement. Vu le fait que nous avons des témoins de l'extérieur, je me demande si vous seriez d'accord pour siéger jusqu'à midi, espérant que nous pourrions peut-être terminer notre interrogatoire.

Des voix: D'accord.

Le président: J'ai sur ma liste des noms de personnes qui n'ont pas encore eu l'occasion de poser des questions. J'aimerais donc leur donner l'occasion d'en poser quelques-unes.

M. Cobbe: Il me reste une question à poser.

Le président: Je vous donne la parole pour conclure vos questions.

M. Cobbe: Docteur Cooper, à la page 6, dernier paragraphe, article 9, quand on dit «à moins que», à la ligne 43, cela m'indique à moi, que les mots «à moins que» se rapportent au fait qu'il y a eu un appel ou l'occasion de consultation entre le producteur du produit et celui qui l'a refusé.

[Texte]

The point I am getting at is do you not have immediate access to discuss the problems with the people? We have been referring to the inspector all along, but the inspector is only one person. Is this not what is covered in that last paragraph?

Dr. Cooper: That paragraph states:

unless before that time proceedings have been instituted in respect of the violation in which event the control product may be detained until the proceedings are finally concluded.

I would construe this as legal proceedings taken by the Department of Agriculture, through the Plant Products Division, against the offender. This would be the actual calling of this particular man into court because he failed to comply with some section of the act or regulations.

Mr. Cobbe: Thank you, Mr. Chairman.

The Chairman: I now recognize Mr. Lessard, Mr. McKinley, Mr. Lambert and Mr. La Salle, and I hope that your questions will be brief.

Mr. Lessard (Lac-Saint-Jean): I will be very brief, Mr. Chairman.

Monsieur le président, j'ai écouté très attentivement les points soulevés par les membres du Comité, et les réponses et les explications données par nos témoins. Je peux vous assurer personnellement, que, lorsque les fonctionnaires du ministère seront ici, nous pourrons les questionner en profondeur sur les points soulevés, de façon à nous assurer que vous aurez bien vos droits et la protection auquel vous avez droit. Ceci vaut également pour les fermiers.

Si, par hasard, il n'y avait pas de changement apporté à la loi, si elle était adoptée telle quelle, et si, au cours de son application, il se produit une situation qui vous est nettement préjudiciable. Il sera dans l'ordre que vous portiez cette situation à la connaissance des législateurs, de façon qu'elle soit corrigée. Votre Association est suffisamment représentative pour que vous puissiez vous faire, jusqu'à un certain point, les gardiens de vos droits.

Dr. Cooper: I agree with you, sir. When it comes to the regulations we do not hesitate to request assistance or changes in the regulations to clarify, assist or even to add further protection to the public because we also have a stake in pesticides and as a lot of people think, it is not all money.

However, we are talking mainly about regulations. We feel, in proposing an act, that we would like that act to be as comprehensive and as complete as possible, because in order to change an act we have to go back and introduce a bill, which takes time, and so

[Interprétation]

Est-ce qu'il n'y a pas moyen de discuter immédiatement avec les gens qui l'ont produit? Nous avons parlé de l'inspecteur jusqu'ici, mais l'inspecteur n'est qu'une seule personne. N'est-ce pas ce qu'on vise dans le dernier paragraphe?

M. Cooper: Le paragraphe dit:

à moins que, avant cela, des procédures n'aient été instituées relativement à la contravention, auquel cas le produit antiparasitaire peut-être retenu jusqu'à la fin des procédures.

Personnellement, je l'interprèterais comme voulant dire des procédures légales ou judiciaires initiées par le ministère de l'Agriculture, par l'intermédiaire de la Division des produits végétaux, contre le producteur. Ce serait une action intentée contre le type parce qu'il aurait enfreint un article de la loi ou des règlements.

M. Cobbe: Merci, monsieur le président.

Le président: M. Lessard, M. McKinley, M. Lambert, M. La Salle, et j'espère que vos questions seront brèves. Monsieur Lessard.

M. Lessard (Lac-Saint-Jean): Je serai très bref, Monsieur le président.

Mr. Chairman, I listened with a great deal of attention to the points raised by members of the Committee and the answers and—explanations given by our witnesses this morning. I can assure you that when we have the Department officials before us we will be able to question them thoroughly on the points raised so as to be quite certain that you will get the protection to which you are entitled and that your rights are being respected. This also applies to the farmer.

I think that if per chance there were no amendments made to the Bill and that it were passed as it is, what I would like to know personally is during the course of the application of this Act whether there are any situations which occur which might be definitely prejudicial to you. I think it would certainly be in order to inform the legislators if this were to happen and thus ensure the situation is corrected. Your Association is sufficiently representative to be the guardian of your rights to a certain extent.

M. Cooper: Je suis tout à fait d'accord, monsieur, et quand il s'agit des règlements, nous n'avons aucune hésitation à demander de l'aide ou des changements dans les règlements, pour éclaircir, ou pour aider, ou même pour protéger davantage le grand public, car nous aussi nous avons une mise dans cette question des pesticides. Ce n'est pas tout simplement une question d'argent.

Mais nous parlons surtout des règlements. Nous croyons que lors de l'adoption de la loi, ou quand nous proposons une loi, nous voudrions que la mesure soit aussi complète que possible, car pour changer, modifier une loi, cela prend du temps.

[Text]

forth. Let us produce an act that will stand the test of time for the next 15, 20 or 25 years. We can change the rate very, very easily without involving the time of people such as yourselves, and so forth. Let us have the best bill we can have.

We are just bringing this up because we feel that clarification at this time can save us, and we will go to our government representatives and discuss with them certain very simple changes in the regulations. It will only take a matter of a week or two weeks to change this. The regulations are the most important thing, but I would like to see the act as good as we can make it for as long as we can make it.

The Chairman: Thank you, Dr. Cooper. Mr. McKinley?

Mr. McKinley: Thank you, Mr. Chairman. I want a little more information about what is going on at the present time in connection with the registration of plants that are producing these products. When you have a product which is registered for sale, is it government practice to have a special registration so that a plant can produce that particular product?

• 1150

Dr. Cooper: They have a registration for that product and we produce it in any plant we see fit.

Mr. McKinley: At the present time that plant does not have to be registered in a particular way to produce that product?

Dr. Cooper: That is correct.

Mr. McKinley: But does it have to come from a plant that is registered or licensed?

Dr. Cooper: No. It can be manufactured any place as long as the product is registered and we stay with our registration formula. The government has every right to analyse that formula in any way it wants, to see whether we are complying with our registered formulation.

We sometimes have to move from one plant to another, and this is another thing. We may be manufacturing compound A in plant B today. Then all of a sudden there is a change in demand of some other compound, so we will shut down that plant making compound B, and move B to plant Y, simply because the government or a contract may come in that requires plant B to continue making a certain compound which is not a pesticide. Therefore, we do change plants from time to time.

We may also change plants because of objections from municipalities, because of odours. We may have

[Interpretation]

Obtenons donc une mesure législative qui pourra durer quinze, vingt ou vingt-cinq ans. C'est possible de changer les règlements facilement sans que cela prenne le temps de députés comme vous, par exemple. Obtenons la meilleure loi possible; c'est la seule raison pour laquelle nous avons soulevé ce point.

Si nous éclaircissons le problème maintenant, cela va nous épargner du temps. Nous pourrions ensuite discuter avec les représentants du gouvernement les changements dans les règlements qui sont très faciles à réaliser. Cela ne prend qu'une semaine ou deux. Les règlements sont très importants, mais j'aimerais que le bill soit le meilleur bill possible et que la loi dure le plus longtemps possible.

Le président: Merci, docteur Cooper. Monsieur McKinley?

M. McKinley: Merci, monsieur le président. En ce qui concerne l'enregistrement d'usines qui produisent des produits, j'aimerais bien avoir quelques renseignements supplémentaires quant à ce qui se passe à l'heure actuelle.

Quand vous enregistrez un produit pour la vente, est-ce l'habitude ou la pratique du gouvernement d'avoir une inscription spéciale pour que l'usine puisse fabriquer ce produit particulier?

M. Cooper: Il y a une inscription ou l'enregistrement du produit particulier, mais nous le produisons dans n'importe quelle usine.

M. McKinley: En d'autres termes, ce n'est pas nécessaire que l'établissement même soit enregistré pour produire le produit?

M. Cooper: En effet.

M. McKinley: Mais est-ce que cela doit venir d'un établissement qui a un permis d'exploitation ou qui est enregistré?

M. Cooper: Non, il peut être fabriqué n'importe où, aussi longtemps que le produit lui-même est enregistré et que nous nous en tenons à la formule d'enregistrement. Le gouvernement a tout le loisir d'analyser cette formule, de la façon désirée, pour voir si nous nous en tenons à la formule enregistrée.

Parfois nous devons déménager d'une usine à une autre, autre chose, il se peut que le composé A se fabrique dans l'usine B, aujourd'hui, et qu'à un moment donné, la demande soit forte sur un autre composé et par conséquent, nous fermons l'usine qui fabrique B, et nous allons déménager B à l'usine Y, tout simplement parce que le gouvernement ou un contrat exigerait que l'usine B fabrique un produit qui ne soit pas un pesticide.

Par conséquent, nous changeons d'usine de temps à autre, ou d'établissement. Il y a aussi la possibilité de

[Texte]

an excellent plant and all of a sudden someone kicks. They say they do not like the smell. So we will shut that plant down and move the manufacturing of that compound over to some other building. This is only a physical move: it has nothing to do with the formulation or anything else. This is where I do not see why registration is necessary for the actual physical plant itself.

Mr. McKinley: You are saying that these different plants do not have to be registered on their own, but they are connected with a head plant, or a head office.

Dr. Cooper: The company.

Mr. McKinley: A company that is registered.

Dr. Cooper: Yes.

Mr. McKinley: So what you are against in this bill is that you are afraid they are going to make you register each plant to produce each product?

Dr. Cooper: Yes. What purpose does it serve? We are at a loss as to why we should register a plant. We think there are better ways of controlling the product from the plant. We realize this is what we are after, control of the product.

What is the best way to control a product? Is it to set up specifications of a plant and then have to hire umpteen dozen inspectors to go in there? Who are going to set the standards for this registration?

I feel there is another way this can be controlled other than to make plants be registered per se. This is a physical plant registration. We still want product control. This is what we are after.

Mr. McKinley: With regard to the appeal, I think what was said the other day from the departmental officials was that anyone would have the right to appeal to the Minister. We all know that Ministers are very hesitant to over-rule inspectors who may be hired by themselves. This is the kind of appeal that you feel is not good enough?

Dr. Cooper: We are looking for an appeal against many decisions made by one individual, against one man's interpretation of a section of the act. This is what I am after. I wanted it to be a three-man decision, not a one-man decision. Packaging, we agree, should be controlled, but we want a fair shake on an appeal board. If we feel we are being discriminated against, then we would have the right to appeal.

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We are not only talking about this particular aspect of detention; we are talking about the interpretation of the act in any particular case. There are many broad things here, and I may come into power, or be a power within this group and say that I interpret this act this way, and you as the registrant are going to apply.

[Interprétation]

changer, en vertu d'objections de la part des municipalités pour des questions d'odeurs, par exemple. Tout à coup, quelqu'un se plaint de l'odeur et alors, nous fermons une usine parfaite et nous déplaçons la fabrication de ce composant à un autre établissement. Il s'agit d'un déménagement physique, uniquement. Cela n'a rien à voir avec la formule. Et alors, je ne vois pas du tout pourquoi il serait nécessaire d'enregistrer l'établissement ou le lieu de l'établissement.

M. McKinley: Vous voulez dire que les diverses usines n'ont pas besoin d'être inscrites ou enregistrées, elles-mêmes, mais que le siège social doit l'être.

M. Cooper: La compagnie.

M. McKinley: Une compagnie qui est enregistrée.

M. Cooper: Oui.

M. McKinley: Ce à quoi vous vous opposez c'est que vous craignez qu'on vous forcera à enregistrer chaque usine relativement à chaque produit.

M. Cooper: C'est ça. Quel est l'objet, quel est le but d'un tel enregistrement? Nous ignorons pourquoi il faudrait enregistrer l'établissement. Nous croyons qu'il y a de meilleurs moyens de contrôler le produit qui sort de cette usine. Voilà, ce que nous recherchons, c'est le contrôle du produit même.

Et alors, quelle est la meilleure façon de réglementer le produit? Est-ce par la normalisation de l'établissement, et en engageant des inspecteurs ensuite à la douzaine qui établiraient des normes pour cet enregistrement? J'estime, personnellement, qu'il y aurait un autre moyen de contrôle, autre que l'enregistrement de l'établissement en soi. Ce que nous voulons toujours, c'est le contrôle du produit.

M. McKinley: En ce qui concerne l'appel, je crois que, l'autre jour, le fonctionnaire du ministère a dit que tout le monde pourrait interjeter appel auprès du ministre. Tout le monde sait que les Ministres hésitent à prendre une décision contraire à ses inspecteurs. C'est le genre d'appel qui ne suffit pas, à votre avis?

M. Cooper: Nous voudrions un appel contre les décisions prises. Je voudrais que la décision soit prise par un trio et non par un seul homme. Dans le cas de l'emballage, nous sommes d'accord qu'il doit y avoir un contrôle, mais nous voulons avoir la possibilité d'interjeter appel.

Il s'agit de l'interprétation d'un article de la loi dans un cas en particulier. Il y a de nombreux domaines assez vastes, ici. Je peux représenter une puissance dans ce groupe et dire: «j'interprète la loi de cette façon, et vous, en tant que fabricants enregistrés, vous devez obéir à ma décision».

[Text]

Where is your right if you feel that I am being too strict? This is all we are asking, the right of appeal. I think it should be so indicated in the bill, and then further explained in the regulations. You mentioned that the Minister or someone has said that there is a right of appeal, but I can only go on black and white. I have not seen this, nor would I agree that such a thing is going to be there until it appears in the copy that I have been permitted to read. I am criticizing only this, and saying that to make it a better act, the right to appeal should appear here, and let the regulations govern it.

Mr. McKinley: I must say I can agree with that. We have not seen the regulations that make this bill operative either. Everything is the Governor in Council, and they make regulations. We have not seen anything at all. I think we should, after questioning the officials, make an attempt to put something like that in there.

The Chairman: Thank you, Mr. McKinley. Mr. Lambert.

M. Lambert (Bellechasse): Merci bien. À la lumière des renseignements qui ont été donnés ce matin, nous pouvons dire que le Comité a été bien inspiré d'accepter la venue ici de ces représentants de l'industrie.

Je m'adresse à M. Cooper, qui est président de la *Canadian Agricultural Chemicals Association*. Pouvez-vous dire au Comité combien de membres il y a dans cette association? Deuxièmement, combien de vos produits chimiques sont visés par le Bill C-157? Je pose cette question-là, monsieur le président, à cause du paragraphe analysant l'article 5 (d) dans le mémoire de l'Association et qui dit ceci:

Il n'existe pas de justification apparente pour l'enregistrement des établissements. L'enregistrement des produits devrait être suffisante.

Le Comité pourrait-il connaître le nombre des établissements intéressés et le nombre des produits visés? Peut-être cela nous permettrait-il de mieux comprendre votre requête pour le droit d'appel dans le bill C-157.

Dr. Cooper: I will ask the executive secretary to report on the members of CACA.

M. Chevalier: Monsieur le président, nous avons actuellement 43 membres actifs dans l'Association. Au sujet des produits, je demanderais au Dr. Cooper de répondre.

Dr. Cooper: As far as registered products are concerned, I would have to ask the government specifically how many they have registered. I would say it would be somewhere around 1,300 or 1,400. I may be out quite a bit here, but you must remember that each company may register the same product, but this constitutes a different registration. Two companies must have different numbers for the same product. Do you follow me?

[Interpretation]

Où est votre droit d'appel si vous pensez que je suis trop strict? Voilà, tout ce que nous demandons. Nous voulons avoir le droit d'appel. Et je pense que cela doit être indiqué dans la loi de façon précise et expliqué de façon plus précise dans le règlement. Vous dites que le ministre ou quelqu'un a dit qu'il y aura droit d'appel. Je veux le voir en noir et blanc. Je ne crois en rien tant que je ne le verrai pas figurer dans le texte que je suis autorisé à lire. Je ne fais que critiquer en disant que pour améliorer la Loi, le droit d'appel doit y figurer, et qu'ensuite le règlement prévoit les modalités.

M. McKinley: Je suis d'accord, mais nous n'avons pas vu le règlement d'application de la loi. C'est toujours le gouverneur en conseil qui rédige le règlement. Nous n'avons encore rien vu. Et je pense qu'après avoir interrogé les fonctionnaires, nous devrions prévoir un libellé de ce genre.

Le président: Merci, monsieur McKinley. Monsieur Lambert?

Mr. Lambert (Bellechasse): Thank you. I do believe that in the light of the information we were given this morning, the Committee was quite right in asking these representatives from the firms to come.

I would like to ask Mr. Cooper who is the Chairman of the Canadian Agricultural Chemicals Association, to tell us how many members there are in this particular association? Secondly, how many of your chemical products are referred to by Bill C-157? I put this question, Mr. Chairman, in relation with section 5 (d) in the brief of the Association which reads as follows:

There is no apparent justification for the registration of an establishment. The registration of the products should be adequate.

Could you tell the Committee the number of establishments concerned and the number of products referred to? This might enable us to understand better your request, concerning the right of appeal in Bill C-157.

M. Cooper: Je demanderais au secrétaire exécutif de faire rapport aux membres de la CACA.

Mr. Chevalier: Mr. Chairman, we have 43 active members in the Association, and so far as concerns products I will have Dr. Cooper answer.

M. Cooper: En ce qui concerne les produits enregistrés, je devrai demander au gouvernement exactement combien il y en a. Je pense qu'il s'agit de 1,300 ou 1,400. Je me trompe peut-être beaucoup, mais chaque société peut enregistrer le même produit. Ce qui compte comme un enregistrement distinct. Deux sociétés peuvent avoir des numéros différents pour le même produit. Vous me suivez?

[Texte]

Mr. Lambert (Bellechasse): Yes.

Dr. Cooper: For DDT you may have 100 registrations, 100 registration numbers. But we have somewhere, I imagine, around 1,300 or 1,400 registrations that we have to contend with.

M. Lambert (Bellechasse): J'ai une question supplémentaire, monsieur le président. Je pense que c'est là une question excessivement importante pour vos clients, les acheteurs de produits antiparasitaires. Généralement, le client n'est pas tellement familier avec la nature de tel ou tel ou tel produit. Généralement, lorsqu'on achète un produit d'une compagnie responsable il est tout à fait normal que le client, celui qui a utilisé le produit et qui n'en a pas été tout à fait satisfait, regarde tout d'abord le nom de l'établissement qui lui a fourni ce produit. Si l'établissement ou la compagnie en question doit lui apporter des renseignements supplémentaires ou s'il peut contester la valeur d'un composant utilisé par la compagnie, à ce moment l'inscription du nom peut faciliter l'éclaircissement de la situation entre les parties intéressées. Mais ma pensée première est celle-ci: je pense qu'il serait justifié que le nom de l'établissement figure sur l'étiquette.

● 1200

The Chairman: Thank you, Mr. Lambert. Is there a reply, Dr. Cooper?

Dr. Cooper: Well, we always put on the labels. There is always the head office or the main office to which a grower can always write asking for further information or reporting that he has a problem. Usually this will bring somebody immediately to ascertain what his problem is. Let us not fool ourselves here: in business we have good companies and we have bad ones, but the good company will soon go to a grower and ascertain what his problem is.

By the same token—you talk about education—the industry does a great deal in trying to educate the public in the use of pesticides and we feel that the government has to play a part as well as industry. I spend roughly half of my time in speaking to the public about how to use pesticides correctly and not to over-use them, and to be careful about wildlife and pollution.

The Chairman: Mr. LaSalle?

M. LaSalle: Monsieur le président, selon moi, il est évident que ce droit d'appel ne gêne absolument pas l'agriculteur. Ce droit d'appel permettra à l'inspecteur d'arrêter un produit qui serait dangereux; d'un autre côté, il me semble très justifié de la part de l'Association de demander ce droit d'appel pour sa protection.

[Interprétation]

M. Lambert (Bellechasse): Oui.

M. Cooper: Par exemple, pour le DDT, vous pouvez avoir cent numéros d'enregistrement; mais nous avons environ 1,300 ou 1,400 enregistrements dont nous devons tenir compte.

Mr. Lambert (Bellechasse): I have a supplementary, Mr. Chairman. I believe this is a very important question for you, customers, the buyers of pesticides. Generally, the customer is not too familiar with the nature of such and such a product. Generally, when purchasing a product from a responsible company, it is perfectly normal that the customer, the person who has used the product and who was not entirely satisfied with it, looks first of all at the name of the establishment manufacturing the product.

If the establishment or the firm concerned must give him extra data or if he can contest the value of an ingredient used by the company, then the printed name could make it easier to clarify the situation among the interested parties. My first thought though, is this: I believe it would be justified for the name of the establishment to be written on the label.

Le président: Merci, monsieur Lambert. Est-ce que vous avez une réponse à donner, docteur Cooper?

M. Cooper: Nous apposons toujours les étiquettes. Il y a toujours le siège social ou le bureau principal auquel un cultivateur peut s'adresser pour demander davantage de renseignements ou pour signaler qu'il a certaines difficultés. D'habitude, un représentant ira le voir immédiatement pour savoir quelle est sa difficulté. Ne nous leurrions pas ici. En affaires, nous avons de bonnes compagnies et de mauvaises compagnies. Mais les bonnes compagnies iront immédiatement voir le producteur pour faire enquête.

Il y a également une question d'éducation. Il faut apprendre au public comment se servir des produits antiparasitaires. Le gouvernement s'en occupe mais quant à moi, je passe la moitié de mon temps à expliquer au public comment se servir des antiparasitaires, comment ne pas trop les utiliser et faire attention à la faune et au problème de la pollution.

Le président: Monsieur LaSalle?

Mr. LaSalle: Mr. Chairman, in my mind it is obvious that this right of appeal is no problem to the farmer. This right of appeal will enable an inspector to stop a dangerous product. On the other hand, it seems to me that it is very justified on the part of the Association to ask for this right of appeal for its own protection.

[Text]

C'est peut-être un manque d'expérience, mais je me demande comment il se fait que l'Association demande ce droit d'appel et que certains membres du Comité avouent que le ministre a garanti, la semaine dernière, ce droit d'appel. Si le ministre l'avait garanti, l'Association serait au courant. De plus, s'il l'a garanti, pourquoi n'est-il pas inclus dans la Loi? Je ne sais pas, monsieur le président, si vous pouvez donner une réponse. Il y a sûrement un manque de communication quelque part.

The Chairman: My understanding was that this would be referred to in the regulations, which is not necessarily spelled out in the Act.

Gentlemen, we have reached our second hour of adjournment.

Mr. Peters: Could I just ask one question before we adjourn? How does the Association arrive at the label of "dangerous" on products—toxic, poisonous. . .

The Chairman: Please speak into your microphone.

Mr. Peters: How do they arrive at this protection for the individual who may be handling these products?

Dr. Cooper: This has been arrived at by the Department of Agriculture, Plant Products Division. They have arrived at this through their own good judgment and through co-operation with the Association.

Mr. Peters: You really have a formula, then?

Dr. Cooper: Yes, there is a formula that we apply to new compounds and I believe industry has played its part here. There are certain compounds that we feel should not get into public hands; they should be in the hands of specialists. The Department of Agriculture, Plant Products Division, and the Feed Fertilizer & Pesticide Section have done a wonderful job in co-operating with us and we hope we will be able to continue this so we can keep products in their right perspective so far as the public is concerned.

The Chairman: Gentlemen, I am sure you would wish me to express your appreciation to our witnesses this morning, Dr. Cooper, Mr. Chevalier, Mr. Kennady and Mr. Oakley, for the brief which they have presented and for the excellent way in which they have answered our questions.

Thank you, gentlemen, very much for appearing.
Shall Clause 5 stand?

● 1205

Some hon. Members: Agreed.

Clause 5 stood.

The Chairman: The meeting is adjourned to the call of the Chair.

[Interpretation]

Maybe I am not experienced enough, but I wonder why the Association asks for such a right while some Committee members say that the Minister guaranteed this right of appeal last week. If the Minister had guaranteed this right, the Association would be well aware of it. Moreover, if it is guaranteed, why is it not stated in the Act? Could you answer this, Mr. Chairman? There must surely be a lack of communication somewhere.

Le président: Je croyais que cela figurerait dans le Règlement et que cela ne figurerait pas dans la Loi. Messieurs, nous en arrivons à l'heure de lever la séance.

M. Peters: Puis-je poser une dernière question avant l'ajournement? Comment l'Association en arrive-t-elle à rédiger une étiquette «danger» pour les produits toxiques, les poisons, . . .

Le président: Veuillez parler devant le micro.

M. Peters: Comment en arrive-t-on à cette protection pour l'individu qui manipule ces produits?

M. Cooper: C'est votre propre ministère de l'Agriculture, Division des produits végétaux, qui en est arrivé là, grâce à son bon sens, et en collaboration avec l'Association.

M. Peters: Vous avez une formule n'est-ce pas?

M. Cooper: Il y a une formule que nous appliquons aux nouveaux mélanges, et l'industrie y joue un rôle. Il y a certains mélanges qui ne doivent pas être donnés au public, mais ce sont des spécialistes qui doivent s'en servir; et le ministère de l'Agriculture, Division des produits végétaux et section des engrais et pesticides, a fait un excellent travail et nous a donné une excellente collaboration. Nous espérons continuer à travailler avec cette division de façon à maintenir un cadre dans lequel les produits seront utilisés.

Le président: Je suis sûr que vous serez d'accord avec moi pour féliciter les témoins, M. Cooper, M. Chevalier, M. Kennady, et M. Oakley. Ils nous ont présenté un mémoire très intéressant et ils ont répondu de façon remarquable à nos questions. Merci beaucoup Messieurs d'être venus.

L'article 5 est-il réservé?

Des voix: D'accord.

L'article 5 est réservé.

Le président: La séance est levée jusqu'à la convocation du président.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session ★

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 17

THURSDAY, FEBRUARY 6, 1969

LE JEUDI 6 FÉVRIER 1969

Respecting

Concernant

BILL C-157,

Le BILL C-157,

The Pest Control Products Act.

Loi sur les produits antiparasitaires.

Appearing:

A comparu:

Minister of Agriculture

Hon. H. A. Olson

Ministre de l'Agriculture

WITNESSES—TÉMOINS

(See Minutes of Proceedings)

(Voir les Procès-verbaux)

The Queen's Printer, Ottawa, 1969
L'Imprimeur de la Reine, Ottawa, 1969

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AGRICULTURE

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Vice-Chairman

and Messrs.

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Danforth,
Douglas,
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Gleave,
Horner,
Howard (*Okanagan
Boundary*),

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Lambert (*Bellechasse*),
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Kootenay*),
Thomson (*Battleford-
Kindersley*),
Whicher,
Yanakis—30.

[Texte]

MINUTES OF PROCEEDINGS

THURSDAY, February 6, 1969.
(20)

The Standing Committee on Agriculture met at 9:41 a.m. this day, the Chairman, Mr. Beer, presided.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas, Gauthier, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, La Salle, LeBlanc (*Rimouski*), Lessard (*Lac-Saint-Jean*), Lind, Moore (*Wetaskiwin*), Peters, Roy (*Laval*), Southam, Thomson (*Battleford-Kindersley*), Whicher, Yanakis—(23).

Also present: Mr. C. Stewart, M.P.

Witnesses: From the Department of Agriculture: The Honourable H. A. Olson, Minister; Mr. S. B. Williams, Deputy Minister; Mr. C. R. Phillips, Director General of Production and Marketing; Mr. C. H. Jefferson, Director of Plant Products Division.

The Committee resumed consideration of Clause 4 of Bill C-157, the Pest Control Products Act.

Following questioning of the Witnesses, Clause 4 was carried.

On Clause 5, there were questions and that clause was carried.

Clause 6 was carried.

Following brief questioning, Clause 7 was carried.

Clause 8 was carried.

On Clause 9, Mr. Horner moved an amendment:

That the following be added as Subclause (6): The company whose product has been seized or detained be granted the right at any time after the detention to appeal before an independent board consisting of representation from the industry and the Department of Agriculture.

[Traduction]

PROCÈS-VERBAUX

JEUDI 6 février 1969.
(20)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 41, sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas, Gauthier, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, La Salle, LeBlanc (*Rimouski*), Lessard (*Lac-Saint-Jean*), Lind, Moore (*Wetaskiwin*), Peters, Roy (*Laval*), Southam, Thomson (*Battleford-Kindersley*), Whicher, Yanakis—(23).

Aussi présent: M. C. Stewart, député.

Témoins: Du ministère de l'Agriculture: L'honorable H. A. Olson, ministre; M. S. B. Williams, sous-ministre; M. C. R. Phillips, directeur général de la Production et des marchés; M. C. H. Jefferson, directeur de la Division des produits végétaux.

Le Comité reprend l'étude de l'article 4 du Bill C-157, Loi sur les produits antiparasitaires.

On interroge les témoins, puis l'article 4 est adopté.

Sur l'article 5, on pose des questions, puis l'article est adopté.

L'article 6 est adopté.

Après un bref interrogatoire, l'article 7 est adopté.

L'article 8 est adopté.

Sur l'article 9, M. Horner propose une modification:

Que l'on ajoute la disposition suivante, en tant que paragraphe (6):

La société dont le produit a été saisi ou retenu a le droit, à tout moment qui suit la rétention, d'en appeler à un conseil indépendant composé de représentants de l'industrie et du ministère de l'Agriculture.

With discussion of the motion continuing, Clause 9 was allowed to stand.

Le débat sur la proposition se poursuivant, l'article 9 est réservé.

At 12:05 p.m. the Committee adjourned to the call of the Chair.

A midi 05, le Comité s'ajourne jusqu'à nouvelle convocation du président.

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

[Text]

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, February 6, 1969

• 0939

The Chairman: Gentlemen, please come to order. When the Committee met last we stood Clause 4 and heard witnesses under Clause 5. I propose to the Committee that we return to Clause 4 and open the meeting for questioning.

Our meeting this morning is graced by the presence of the Minister and representatives of the Department. I am sure there are questions. I recognize Mr. Horner.

• 0940

Mr. Horner: On Clause 4, Mr. Chairman, I would like to ask the Minister whether he really feels that it is necessary, after each product that a company puts out which would come under this Bill is registered, also to register the manufacturing establishment?

An hon. Member: Under Clause 5?

Mr. Horner: No, Clause 4; I am looking at Clause 4, subclause (2), and paragraph (b) of subclause (2) which deals with the registering and the operation of the establishment as prescribed.

The Chairman: Are you under Clause 4, Mr. Horner?

Mr. Horner: Yes; subclause (2)(b). Under Clause 4, Mr. Chairman, it reads this way:

No person shall... send or convey from one province to another any prescribed control product unless such product was manufactured in an establishment...

and then subclause (b) says that that establishment must be:

... registered and operated as prescribed.

[Interpretation]

TÉMOIGNAGES

(Enregistrement électronique)

Le jeudi 6 février 1969

Le président: Messieurs, un peu d'ordre, s'il vous plaît. A notre séance précédente, nous avons réservé l'article 4 et avons entendu les témoins convoqués pour étudier l'article 5. Je propose donc au Comité que nous revenions à l'article 4 maintenant, et que nous commençons la réunion par des questions. Notre séance est rehaussée ce matin, par la présence du ministre et des représentants du ministère. Je suis sûr que vous avez des questions à leur poser. Je donne la parole à M. Horner.

M. Horner: Auparavant, monsieur le président, j'aimerais demander au ministre s'il estime vraiment nécessaire, après l'enregistrement de chaque produit fabriqué par une compagnie, ce qui relèverait du présent bill, d'enregistrer aussi l'établissement même, la fabrique même?

Une Voix: A l'article 5?

M. Horner: Je regarde l'article 4, paragraphe (2), l'alinéa b) du paragraphe (2) qui a trait à l'enregistrement de l'établissement.

Le président: En êtes-vous à l'article 4, monsieur Horner?

M. Horner: Oui, à l'alinéa b) du paragraphe (2). A l'article 4, monsieur le président on peut lire:

Le président: En êtes-vous à l'article 4, monsieur Horner?

M. Horner: Oui, monsieur le président, à l'article 4, paragraphe (2). On y dit que:

(2) Nul ne doit...envoyer ou transporter d'une province à une autre un produit antiparasitaire prescrit à moins que ce produit antiparasitaire n'ait été fabriqué dans un établissement...

Puis on dit à l'alinéa b) que cet établissement doit être:

... enregistré et exploité de la manière prescrite.

[Text]

The Chairman: I thank you. Mr. Minister?

Hon. H. A. Olson (Minister of Agriculture): I can understand the relationship between Clause 4 and what you are talking about, but the question relates to Clause 3 (1), does it not?

No person shall manufacture, store... under unsafe conditions.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, in fairness to the Minister of Agriculture I wonder if he is aware that the gentlemen who presented a brief the other day were objecting to licensing or charging a fee for the patents?

The Chairman: I presume the Minister has been informed of our discussions the other day.

Mr. Olson: Yes, we were.

The Chairman: Does the Minister have any further comment in relation to Mr. Horner's question?

Mr. Olson: The problem that we are having, Mr. Chairman, is that the question relates to three clauses: 3, part of 4 and 5(d).

Mr. Horner: Yes, I know it does.

Mr. S. B. Williams (Deputy Minister of Agriculture): The purpose of the registration of establishments, and the provision that regulations can be made setting forth terms and conditions within these establishments, is solely to give an additional assurance to the users of the products that they have been produced under, as Mr. Olson pointed out, the Clause 3 (1) safe conditions; at least, they have not been produced under unsafe conditions.

I think that a parallel, if I might call it that is to be found, for example, under our egg grading regulations where there is provision for registration of establishments. Certainly our graders can say, when they examine a group of eggs whether or not they fall in such a grade. We believe, and I think the industry believes, that it is advantageous to the integrity of the grade if these eggs are handled under certain conditions. For example, that they are kept in a establishment where it is possible to control the temperature within certain limits. This means that the shelf life of these eggs and consequently the integrity of the grade is improved.

We believe that the registration of plants, in order to ensure that they have the facilities that will permit them to make a product with minimum chances of mixing, adulteration and things of this nature, is valuable. I was going

[Interpretation]

Le président: Merci. Monsieur le ministre?

L'hon. H. A. Olson (ministre de l'Agriculture): Je comprends le lien qui existe entre l'article 4 et ce dont vous parlez, mais je crois que la question a vraiment trait à l'article 3 (1) n'est-ce pas?

3. (1) Nul ne doit fabriquer, ... dans des conditions dangereuses.

Mr. Thomson (Battleford-Kindersley): Je me demande, pour être juste envers le ministre de l'Agriculture, s'il sait que ces messieurs qui ont présenté le mémoire, l'autre jour, s'opposaient à l'enregistrement.

Le président: Je suppose que le ministre est au courant de ce qui s'est passé l'autre jour.

Mr. Olson: Je le suis.

Le président: Avez-vous d'autres commentaires à ce sujet?

Mr. Olson: Le problème auquel nous avons à faire face vient de ce que cette question touche trois articles: 3, 4 et 5 d).

Mr. Horner: Oui, je suis d'accord. C'est vrai.

Mr. S. B. Williams (sous-ministre de l'Agriculture): L'objet de l'enregistrement des établissements et de la disposition prévoyant qu'on peut établir des règlements pour les établissements en cause, est de donner l'assurance aux usagers du produit que ces produits ont été fabriqués aux termes de l'article 3 (1), dans des conditions sûres ou, du moins, pas dans des conditions dangereuses.

Je crois qu'un parallèle existe avec cette situation qui prévaut dans le domaine du classement des œufs, où les établissements sont enregistrés. Évidemment, nos classeurs peuvent dire lorsqu'ils examinent les œufs s'ils tombent dans telle ou telle catégorie. Nous croyons et je crois que l'industrie le croit également qu'il est avantageux que les œufs soient manipulés en respectant certaines conditions. Par exemple, que les œufs soient entreposés dans un établissement où il est possible de régler la température. La vie de l'œuf et sa qualité ne peuvent que s'en trouver améliorées.

Nous croyons que l'enregistrement de ces établissements est utile parce qu'il nous permettrait de nous assurer qu'ils sont bien équipés et que les produits ne risquent pas d'être avariés. J'allais dire que l'enregistrement est

[Texte]

to say essential, but probably "essential" is too strong a word: valuable in terms of the final integrity of the product.

• 0945

Mr. Horner: Mr. Williams, each product the establishment puts on the market is registered and the formula examined very closely by the Department of Agriculture and, I would assume, also by the Food and Drug Directorate. Why is it necessary to register the establishment and also, as subclause (b) suggests, lay down rules to outline the manner in which the establishment must be operated as prescribed? If we accept this formula here, what else are we going to be asked to accept in our free society?

The Chairman: Mr. Williams?

Mr. Williams: Mr. Horner's question was why do we need to register it. It is simply to provide for better control. While the product is registered, we do not sample each and every package that comes on the market. We do have a system of inspection of the product when it is on the market to see if it is up to its registered composition, efficacy, or any of the factors that are covered by the registration.

However, as part of the entire process of scrutinizing these on the market, we believe that if we have some assurance that they are produced under these conditions that the amount of scrutiny that is necessary may be somewhat reduced, but, in addition, we believe that the product is going to be a better product. It is probably truer in respect of some of the biological pesticides than it is of the straight chemical pesticides. In other words, this Bill covers quite a wide range of products.

Basically, If I may repeat what I have said, we believe it will improve the integrity of the product in the eyes of the user and will reduce the amount of control work that is necessary within the Department.

Mr. Horner: Supposing for a minute agree with you on the registering of the company. Why does it also have to operate as prescribed? Is not the long hand of the government reaching to some depth into private enterprise if we are going to outline through a system of regulations and acts that a company must operate as prescribed?

Mr. Williams: Mr. Chairman, I suppose it will depend entirely upon the type of thing that is prescribed in terms of operations. I suppose there are items of operation that may be very critical. I am afraid that I cannot name them, but I can ask our people here for specific ones.

[Interprétation]

essentiel mais le terme aurait probablement été mal choisi.

M. Horner: Monsieur Williams, chaque produit que la fabrique met sur le marché est enregistré, la formule est minutieusement examinée par le ministère de l'Agriculture et, je présumerais, aussi par la Direction des aliments et drogues. Pourquoi alors serait-il nécessaire d'enregistrer l'établissement? Pourquoi, comme le suggère l'alinéa b), faudrait-il établir la méthode selon laquelle l'établissement doit être exploité.

Si nous acceptons cette formule, qu'est-ce qu'on nous demandera encore d'accepter?

Le président: Monsieur Williams.

M. Williams: La question de M. Horner était celle-ci: Pourquoi devons-nous l'enregistrer? C'est tout simplement pour obtenir un meilleur contrôle. Si le produit est enregistré, nous ne faisons pas l'échantillonnage de chaque emballage qui est mis sur le marché. Nous vérifions le produit, lorsqu'il est mis en vente, pour nous assurer qu'il contient les ingrédients requis, qu'il a l'efficacité voulue et qu'il respecte les divers points prévus dans l'enregistrement. Nous croyons que si nous avions, au départ, une certaine assurance que le produit a été fabriqué d'après certaines normes, il en résulterait une réduction du degré de vérification nécessaire, mais en même temps, nous croyons que le produit serait un meilleur produit. C'est probablement plus vrai à l'égard de certains pesticides biologiques que ce ne le serait pour les insecticides chimiques. En d'autres termes, nous visons une gamme assez vaste de produits.

Pour répéter, donc, nous croyons que cela améliorerait l'intégrité du produit aux yeux de l'utilisateur et éliminerait une certaine partie du travail de vérification.

M. Horner: Supposons que je suis d'accord avec vous au sujet de l'enregistrement de la compagnie. Pourquoi devrait-elle fonctionner de la manière prescrite? Est-ce que le gouvernement ne va pas un peu loin en disant à l'entreprise privée qu'elle doit fonctionner de telle ou telle façon?

M. Williams: Je suppose, monsieur le président, que tout dépendrait du genre de règlements qui seraient établis. J'imagine qu'il y a certains aspects de l'exploitation qui pourraient être très critiques. Moi, je ne pourrais pas vous donner des exemples précis, mais je pourrais demander à mes fonctionnaires de le faire.

[Text]

Suppose it is a biologic that has to be prepared under certain conditions in terms of temperature or pressure: it might be considered advisable to prescribe that it is. We, for example, prescribe this same sort of thing in meat packing plants in relation to canned meat products. We prescribe it in respect of many of the vegetable products so that a product cannot be sold as a sterile products unless it has been subjected to certain temperatures for a certain of time.

Mr. Horner: On meat packing plants I remember a few years ago cases where in Ontario a lot of horse meat, I believe, was sold as hamburger and the federal government was a long time in catching up to it; in fact, I do not think they did. It was a provincial department that finally caught up with that particular case.

Mr. Williams: We only can control under our Act. The only thing we can control are plants that sell meat interprovincially.

Mr. Horner: I realize that. I did not intend to get into the question of meat packing.

Mr. Chairman, I will not ask any further questions, but I fail to see why we have to prescribe a method of operation and register the establishment if a formula has to be registered for every product the establishment puts out and if tests are made to make sure that that product lives up to its formula.

• 0950

The Chairman: Thank you, Mr. Horner. I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, my questions follow along the same line as those put by Mr. Horner, who dealt with registration, the prescribed operation of a plant, products used in Canada and exported from one province to another. However, I am a bit curious why the Department finds it necessary to use the same terminology and the same conditions in respect of a product that is to be exported out of the country.

Suppose, for example, that a foreign subsidiary comes in and sets up a plant for the sole purpose of obtaining in its raw form a specific chemical in that it is available in Canada only and provides this chemical as one of the basic components perhaps in an operation in Great Britain. As I understand the terms of this bill, it would be absolutely necessary for this particular plant to be registered under the Canadian department and to operate under such conditions as are prescribed by the Canadian government, yet the product

[Interpretation]

Mais supposons qu'il s'agit d'un produit biologique qui doit être préparé dans certaines conditions de température ou de pression. Il serait peut-être souhaitable de prescrire ou d'ordonner que cela se fasse. Par exemple, nous prescrivons ce même genre de choses dans les salaisons, pour ce qui est des viandes en boîtes. De même, pour certains légumes, afin que ces produits ne puissent être qualifiés de stériles, si certaines conditions de températures n'ont pas été respectées.

M. Horner: Quand vous parlez des salaisons, cela me rappelle qu'il y a quelques années, en Ontario, une grande quantité de viande de cheval avait été vendue pour de la «viande à hamburger» et le gouvernement fédéral a mis bien du temps avant de s'en rendre compte. En fait, je ne crois pas qu'il l'ait fait. C'est un ministère provincial, en fin de compte, qui a réussi à déceler le cas.

M. Williams: Notre compétence ne touche que notre texte de loi. Nous ne pouvons vérifier que les salaisons qui font le commerce inter-provincial.

M. Horner: Je vois. Je n'avais d'ailleurs pas l'intention de soulever la question des salaisons. Je ne poserai pas d'autres questions, monsieur le président, mais je ne vois pas pourquoi il faut prescrire la méthode d'exploitation et enregistrer l'établissement si l'usine doit enregistrer la formule de chaque produit qu'elle fabrique et si des vérifications sont faites pour s'assurer que le produit est conforme à cette formule.

Le président: Merci, monsieur Horner. Monsieur Danforth.

M. Danforth: Mes questions ont trait à celles posées par M. Horner.

En parlant de l'enregistrement et de la prescription des établissements et du transport des produits d'une province à une autre, je serais curieux de savoir pourquoi le ministère trouve qu'il serait nécessaire d'employer la même terminologie et les mêmes conditions pour un produit qui doit être exporté du Canada.

Voici un exemple: supposons qu'une filiale étrangère vienne au Canada, établisse une usine pour la seule fin d'obtenir un produit chimique qui serait disponible au Canada seulement et qui voudrait fournir ce produit chimique comme composant d'un produit en Angleterre par exemple. Si j'ai bien compris, ce serait nécessaire que l'établissement soit enregistré sous le ministère canadien et exploite l'usine dans les conditions prescrites par le gouvernement du Canada; mais le produit n'aurait rien à voir avec les produits

[Texte]

in itself may have nothing to do with any Canadian products or Canadian use. Why is it felt necessary to have these registrations, conditions and regulations, when we are dealing strictly with exports?

Mr. C. R. Phillips (Director General of Production and Marketing): Mr. Chairman, the terms

...shall export out of Canada, or send or convey from one province to another... are the normal ones put in federal legislation indicating that they cannot deal with intra-provincial. The federal authority extends to export and interprovincial movement. The gross position here is that they can prescribe conditions for export, interprovincial trade, with respect to all plants.

I think it was explained at an earlier meeting that the intention here is to provide the authority that Mr. Williams referred to for those certain products which are of a nature that need special care in the plant—such as biologics. It is not the intention to have this extend across the whole field. Why should “export” be in there? Because under certain conditions in our international relationships we are expected to be able to certify and, if those conditions arise, then we would be in a position to certify by prescribing conditions in the plants.

Mr. Danforth: May I ask if such regulations are international in nature—that chemical firms from which Canadian farmers obtain products operate under the same terminology and the same regulations? Are we as Canadian farmers protected by other governments to this degree?

Mr. Phillips: Yes. One that may not be a good analogy—this is outgoing, I think you were speaking about coming in—is that in terms of outgoing, for example, we are up against a situation where Italy will not accept our meat unless it is certified that estrogens were not used in the production of the meat. By having this control under the Food and Drugs Act, let us say, and also under the Meat Inspection Act we are in a much better position to certify with respect to estrogens. I am using that as an example. It could be in the pests control area. I have no examples of it at the moment but I would expect that it could very well occur in terms of biologics.

Mr. Danforth: Thank you, sir. If I may pursue this just a little bit further, is there agreement between nations or between industry itself on these conditions and regulations as prescribed, or are the conditions as

[Interprétation]

canadiens ni avec l'emploi au Canada. Je me demande alors pourquoi on trouve que c'est nécessaire d'avoir ces enregistrements et ces conditions et ces règlements quand nous parlons uniquement d'exportations.

M. Phillips (directeur général de la production et des marchés): En ce qui concerne «exporter du Canada ou envoyer ou transporter d'une province à une autre», il s'agit de l'expression ordinaire que l'on emploie dans toute mesure législative pour indiquer qu'on ne peut pas, qu'il ne s'agit pas du mouvement à l'extérieur ou à l'intérieur de la province. Ici, on veut dire qu'on peut prescrire les conditions pour l'exportation ou le mouvement interprovincial à l'égard de n'importe quel établissement.

Je crois que l'objet c'est de donner l'autorisation, comme l'a expliqué M. Williams, pour les produits qui sont de nature à exiger une attention spéciale dans l'usine, tel qu'un produit biologique. Ce n'est pas notre intention de l'appliquer partout ou dans tous les cas. Pourquoi l'expression «exportation»? Il y a certaines conditions dans nos rapports internationaux où il faut que nous soyons en mesure de certifier et si ces conditions arrivent, eh bien, nous serions alors en mesure de certifier les produits.

M. Danforth: Puis-je demander si de tels règlements sont internationaux et si les fabriques de produits chimiques d'où les cultivateurs obtiennent leurs produits sont exportés en vertu des mêmes règlements? Nous, les cultivateurs et les Canadiens, sommes-nous protégés dans la même mesure par les autres gouvernements?

M. Phillips: Oui. Ce n'est peut-être pas la même chose mais une analogie tout de même en ce qui concerne les exportations, nous nous trouvons en face d'une situation par laquelle l'Italie n'accepte pas notre viande à moins que nous ne puissions certifier que nous n'avons pas employé ces pratiques pour la production de la viande. Si ce contrôle relève de la direction des aliments et drogues ainsi que de l'inspection de la viande, nous sommes en meilleure position pour certifier. Je l'emploie tout simplement à titre d'exemple; cela pourrait se faire aussi dans le domaine des produits antiparasitaires mais aucun exemple ne me vient à l'idée à l'heure actuelle.

M. Danforth: Merci monsieur. Est-ce que je pourrais poursuivre ma question un peu plus loin, monsieur le président? Y a-t-il un accord entre les pays ou entre l'industrie elle-même ou dans l'industrie elle-même en ce qui

[Text]

prescribed and put out in this proposed act of a Canadian nature only?

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Mr. Williams: Mr. Chairman, the short answer is no. We do not have an international convention on pesticides similar to our International Plant Protection Convention.

Mr. Danforth: I have one more question, Mr. Chairman, and then I will pass on this particular line of questioning.

Since we are dealing with the regulations, which I think Mr. Horner pointed out very justly do interfere with the free enterprise of a particular company and perhaps a particular product, may I ask how many allied acts such an establishment will have to operate under? It states as conditions: registered and operated as prescribed. Now will the regulations all be prescribed in this proposed act; will they be partially prescribed in this proposed act and in other acts such as the Food and Drugs Act; are there other particular departments which will enter into the governing, of this; or just exactly what is the status under which such operations will take place?

Mr. Williams: As I understand it, the reference is to plants that are manufacturing pesticides?

Mr. Danforth: Yes.

Mr. Williams: To the best of my knowledge, this is the only legislation under which they would be required to be registered, unless we are referring to the economic operation of the plant—income tax or things of that nature. However, many other acts require registration of plants. So if that same plant were producing other products—if for example it happened to be producing biologics and biologics for human use in Canada at the same time—registration for that latter purpose could be required under the Food and Drugs Act as well. If, for example, it were producing other products, which I do not have an example of at the moment, it could be under some other act. But it is my understanding that in so far as pesticides are concerned this proposed act is the only one that will govern the registration of the plant.

Mr. Danforth: May I ask then where Food and Drug enters into the picture—in the registration of the particular product itself?

Mr. Williams: Food and Drug enters into the picture in the registration. Before our department will register a pesticide the

[Interpretation]

concerne les conditions et les règlements prescrits? Est-ce universel ou est-ce que les conditions citées dans la Loi sont de nature canadienne seulement?

M. Williams: Non. Nous n'avons pas d'accord international sur les produits antiparasitaires ou pesticides comme l'accord international sur la production des plantes.

M. Danforth: Une dernière question, monsieur le président, et je céderai la parole. Puis-je demander, étant donné qu'il s'agit de règlements, comme l'a signalé M. Horner à juste titre, et que ces règlements rentrent dans le domaine de l'entreprise privée, une compagnie ou une fabrique particulière ainsi qu'un produit particulier, puis-je demander combien de lois connexes contrôleraient les conditions, l'enregistrement et l'exploitation pour un établissement? Est-ce que les règlements seront tous prescrits dans cette Loi, est-ce qu'ils seront en partie prescrits dans la présente Loi et ensuite ajoutés à d'autres lois par exemple, en vertu de la *Loi sur les aliments et drogues*? Est-ce qu'il y a d'autres ministères qui entreront dans cette réglementation? Quel est le statut exact en vertu duquel cette exploitation a lieu?

M. Williams: Si j'ai bien compris, vous parlez d'établissements qui produisent des pesticides.

M. Danforth: Oui.

M. Williams: Au mieux de ma connaissance, c'est la seule mesure législative en vertu de laquelle les produits devraient être enregistrés ou les établissements devraient être enregistrés à moins que nous ne parlions de l'impôt sur le revenu ou de l'exploitation économique de l'établissement. Il y a toutefois plusieurs autres lois qui exigent l'enregistrement des usines et alors si l'usine fabriquait d'autres produits, par exemple, si elle produisait des produits biologiques pour les humains, l'enregistrement à cette dernière fin pourrait être requis en vertu de la *Loi sur les aliments et drogues*. Ce serait le cas, par exemple, si elle fabriquait d'autres produits en vertu d'autres lois, mais si j'ai bien compris, en ce qui concerne les pesticides, c'est la seule loi qui viserait l'enregistrement de l'établissement.

M. Danforth: Puis-je alors demander où la *Loi sur les aliments et drogues* entre dans cette question?

M. Williams: La direction des aliments et drogues entre en jeu dans le sens qu'avant que notre ministère puisse enregistrer un pes-

[Texte]

material that is obtained by this department from the person seeking registration is referred to Food and Drug for their opinion on whether the levels of residue demonstrated in this submission for registration will or will not be harmful to the Canadian population. So it is part of the registration process of the product, not of the plant.

Mr. Danforth: Thank you, sir.

Mr. Southam: Mr. Chairman, I have a supplementary question.

The Chairman: Is it a brief question?

Mr. Whicher: Mine is supplementary too.

The Chairman: I recognize Mr. Whicher.

Mr. Whicher: Mr. Chairman, one of the main objections of industry the other day was to what they described as a registration problem. Personally, I cannot see any problem at all.

How much does it cost to register a product? They objected to the cost. They said that not only did a new product have to be registered but an old one had to be reregistered each year, and they kicked about the cost. How much is it?

Mr. Williams: The fee for registration of a pesticide is \$20.

Mr. Whicher: For the product?

Mr. Williams: For each product, and for reregistration it is \$5.

Mr. Whicher: And they reregister each year? So is the plant had 100 products it would cost \$500 a year.

Mr. Williams: That is correct.

Mr. Whicher: Mr. Chairman, it seems to me that this is a very small cost. There may be a nuisance value there—someone suggests that interferes with free enterprise—but I respectfully point out the Deputy Ministers brought up such things as vegetable products and meat packing. In the dairy industry, of course, every plant in Canada is registered no matter how many plants you have. I do not know whether it is registered with the federal department, but certainly it is registered with the provincial authorities and certainly in that instance the fee is \$10 a year. There is no nuisance value whatsoever to the industry, because registration goes out automatically each year. Does it go out automatically in connection with these plants?

[Interprétation]

ticide, le matériel obtenu du ministère de la part de la personne qui demande l'enregistrement est déferé à la direction des aliments et drogues, pour savoir si le niveau de résidu démontré dans cette demande d'enregistrement sera nuisible ou non à la population canadienne. Cela fait donc partie de la procédure de l'enregistrement du produit. Du produit et non pas de l'établissement.

M. Danforth: Merci, monsieur.

M. Southam: J'aurais une question supplémentaire à poser, si le comité a l'intention de passer à une autre question.

Le président: Est-elle longue?

M. Whicher: J'ai aussi une question supplémentaire.

Le président: M. Whicher.

M. Whicher: Non seulement un nouveau produit doit être enregistré mais un autre doit être réinscrit chaque année. Quels seraient les frais de cet enregistrement?

M. Williams: Le droit est de \$20.

M. Whicher: Pour chaque produit?

M. Williams: Pour l'enregistrement initial et la réinscription c'est \$5.

M. Whicher: Chaque année? Et par conséquent, s'ils avaient 100 produits, cela coûterait \$500 par année?

M. Williams: C'est exact.

M. Whicher: Monsieur le président, à mon sens ce sont des frais très minimes. On semble croire que cela nuit à la libre entreprise, mais le ministre a parlé des viandes et des légumes. Chaque entreprise de l'industrie laitière est enregistrée. Je ne sais pas si c'est auprès du ministère fédéral mais certainement auprès du gouvernement provincial, et les frais ici sont de \$10 par année. Est-ce que cet enregistrement est automatique?

[Text]

Mr. Williams: Are you thinking of the plants?

Mr. Whicher: Yes.

Mr. Williams: This is a new provision. Nothing has happened as yet. Until this bill is passed no plants are registered at the present time.

• 1000

Mr. Whicher: If the plant is up to date and the year past is kept up to your regulations it will go out automatically, I presume?

Mr. Williams: I do not believe we have any intention at the moment of requiring reregistration of the plants on an annual basis. It is the product on which we require reregistration on an annual basis.

Mr. Whicher: Well, that makes it even better then. I want to ask one more question about the export of products which the industry brought up the other day, and they mentioned the country of Jamaica as an example. It was stated that they might require some product and they would dictate what went into this product, but it might not come up to Canadian specifications; that is, you would not want to sell it to our farmers, but Jamaica said that it would be all right. Would you allow this product to be manufactured by a pesticide plant and exported?

Mr. Williams: I suppose, Mr. Chairman, the only answer I can give to a hypothetical question is a hypothetical answer. It would depend upon how grievous the deviation was from what we considered reasonable and responsible. We certainly do provide, under many of our other acts, different types or certification, depending upon the requests and needs of the country to which the product is going.

For example, livestock exported to one country may go in quite easily with no tests for brucellosis, let us say, because they may have no brucellosis. If they wish us to certify seed potatoes as being free from "X" disease, depending upon our capability for doing it we will do that, but if they do not, we will not.

Therefore, in almost all products the type of certification we provide depends upon the requirements of the country of entry, subject always to whatever international obligations we may have in this respect.

Mr. Whicher: Mr. Chairman, I will now finish with a passing comment.

I agree with this right down the line and I point out such things as Danish furniture. No manufacturer of furniture in Denmark can

[Interpretation]

M. Williams: Parlez-vous des établissements?

M. Whicher: Oui.

M. Williams: C'est une nouvelle disposition. Rien ne s'est produit jusqu'ici et rien ne pourra se produire jusqu'à ce que la Loi soit adoptée. Aucun établissement n'est enregistré à l'heure actuelle.

M. Whicher: Si c'est un établissement moderne et conforme au règlement, j'imagine que cela se fera automatiquement?

M. Williams: Je ne crois pas que nous ayons l'intention à l'heure actuelle d'exiger une nouvelle inscription chaque année. C'est le produit qui doit être enregistré chaque année.

M. Whicher: Ce qui améliore encore la situation. Je voulais poser une autre question au sujet de l'exportation des produits. L'industrie a soulevé la question l'autre jour, en mentionnant la Jamaïque, de la possibilité de commander un produit en précisant sa composition, mais il ne répondrait peut-être pas aux exigences canadiennes. Ce qui revient à dire que vous ne voudriez pas le vendre aux cultivateurs canadiens même si la Jamaïque disait qu'il n'y a aucun danger. Est-ce que vous autoriseriez un fabricant de produire et d'exporter le produit?

M. Williams: Je suppose qu'une question hypothétique, exige une réponse hypothétique. Tout dépendrait du degré de déviation de ce qu'on considère raisonnable. Évidemment, plusieurs mesures législatives prévoient différents modes d'homologation selon les besoins du pays auquel le produit est exporté. Par exemple, le bétail exporté dans un pays pourrait être accepté sans même un examen en vue de la brucellose, par exemple, peut-être parce qu'il n'y a pas de brucellose justement. Si le pays veut qu'on certifie que les pommes de terre de semence sont exemptes de telle ou telle maladie, nous pourrions le faire dans la mesure du possible mais s'il ne l'exige pas, nous ne le ferons pas.

Pour presque tous les produits, le genre de certificat que nous émettons dépend des exigences des pays importateurs, sujet toujours aux exigences internationales.

M. Whicher: Une dernière remarque en terminant. Je suis tout à fait d'accord et notamment pour les meubles danois. Pour qu'un fabricant de mobilier au Danemark puisse exporter son produit, il doit satisfaire à cer-

[Texte]

export anywhere in the world, unless his product comes up to a certain standard. Each year they have an examination of that furniture and if there is the slightest deviation, if the product is not up to standard, that particular firm cannot export. That is why Danish furniture is so highly regarded all over the world. I hope the same thing applies to pesticides and their export so far as Canada is concerned. Thank you, Mr. Chairman.

The Chairman: Mr. Côté?

M. Côté (Richelieu): Monsieur le président, M. Williams a répondu assez bien à la question que j'avais l'intention de poser.

L'article 4, dont on parle actuellement, a fait l'objet d'échanges serrés avec les témoins, la semaine dernière. Les témoins disaient qu'en raison d'un tel contrôle, il n'y a aucune justification apparente qui pourrait faire obstacle à l'exportation de ces produits. Nous avons alors posé des questions et ils ont fait une comparaison avec la Jamaïque. On est toujours conscient du produit qu'on peut vendre et si, malgré nous, on l'interdit au Canada et si le pays importateur, par exemple, la Jamaïque, est prêt à l'accepter, il y a toujours une question de valeur morale pour un pays de vérifier si un produit est condamné ou s'il est recommandé pour la vente à l'intérieur du pays. Par incompetence ou par ignorance, le pays importateur peut accepter un mauvais produit. C'est pourquoi, il est très important de ne pas modifier le Bill afin d'éviter des situations fâcheuses.

J'accepterais l'article tel quel, parce que c'est le seul obstacle que craignaient les témoins, c'est-à-dire l'exportation de produits indésirables et condamnés pour la vente au Canada. Si on biffait une partie du paragraphe (2), on permettrait ainsi l'exportation de produits indésirables. De plus, sur le plan moral de l'exportation, cela ne serait pas profitable pour nous.

Je serais d'accord pour accepter l'article tel quel.

● 1005

The Chairman: I think Mr. Williams will comment on this observation.

Mr. Williams: Mr. Chairman, I would like to comment. I was not present on Tuesday when the other witnesses were heard, but the only reference to the Jamaican market that our people within the Department have been able to find is a request from the Jamaican government for certification that, in fact, the pesticides being exported to that market did meet Canadian standards.

The Chairman: Thank you, Mr. Williams. I now recognize Mr. Clermont.

[Interprétation]

taines normes. On examine le mobilier chaque année et s'il y a la moindre déviation, on en interdit l'exportation. Ce qui fait la renommée du mobilier danois partout au monde. J'espère qu'on fera la même chose pour les pesticides au Canada. Je vous remercie, monsieur le président.

Le président: M. Côté.

Mr. Côté (Richelieu): Mr. Chairman, I think Mr. Williams answered the question which I intended putting.

Under Clause 4 that we are discussing at the present time, was the one that was most discussed with the witnesses last week. The witnesses said that because of such a control, there is no apparent justification that might create obstacles for exporting these products. We then asked questions and they made a comparison with Jamaica. We are always conscious of the product we can sell and if, in spite of ourselves, it is prohibited here in Canada, and if the importing country, Jamaica for example, is ready to accept it, I think that there is always the question of the moral value for the country to check whether a product is condemned or whether it is recommended for sale within the country. Through incompetence or ignorance the importing country may accept a bad product. That is why it is very important not to amend the bill, so as to avoid troublesome situations.

I think I would accept the clause exactly as it is, because it is the only obstacle that the witnesses feared, that is exporting undesirable and condemned products for sale in Canada. If we were to take out part of subclause 2, we would thus allow to export undesirable products. Moreover, from the moral point of view of exports, this would not be to our own benefit.

I would agree to accept the clause as it is.

Le président: M. Williams a un commentaire à faire à ce sujet.

M. Williams: Monsieur le président, je veux faire un commentaire. Je n'étais pas ici mardi lorsque les autres témoins ont été entendus, mais la seule référence au marché de la Jamaïque que nous ayons pu relever au ministère a été une demande d'homologation des pesticides exportés à la Jamaïque comme quoi ils sont conformes aux normes canadiennes.

Le président: Merci, monsieur Williams. Je passe la parole à M. Clermont.

[Text]

M. Clermont: Monsieur le président, mes questions concernant l'article 4 ont été répondues par les fonctionnaires du ministère. J'espère que vous avez conservé mon nom sur la liste pour l'article 5. Je reviens de nouveau à la charge, monsieur le président, pour dire qu'à l'avenir, lorsque nous aurons des témoins du secteur privé, nous devrions avoir également des représentants du ministère concerné. Si des représentants du ministère concerné assistent à la séance, lorsque ces témoins viendront comparaître, nous éviterons une séance additionnelle. J'espère que vous conserverez mon nom sur la liste pour l'article 5.

The Chairman: Thank you, Mr. Clermont. Your admonition will be brought before the steering committee and we will make a recommendation to the Committee as a whole. Mr. Douglas?

Mr. Douglas: Mr. Chairman, I agree with Mr. Clermont's opinion that it would be well to have at least some departmental officials at the table and available for questioning at times when we have visiting witnesses from outside the department.

Something occurred to me and I would have asked it on Tuesday, but we ran out of time. It is in connection with this registration. It seems to me that there might be an advantage, not only to the chemical industry but to the consumers of these products, to have this registration carried out, particularly in the light of new plants that may be established from time to time.

One could not be too sure, I believe, when a new plant is set up whether or not it might turn out to be a fly-by-night outfit that could get its customers in trouble. Not only that, but it could cause trouble in the whole industry. I think for this reason only registration of plants and operations is desirable. I do not know if there is anything to this or not, but that is a point I thought might be made.

The Chairman: Thank you, Mr. Douglas. I now recognize Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, my questions have already been asked.

The Chairman: Thank you, Mr. Thomson. Mr. Southam?

Mr. Southam: Thank you, Mr. Chairman. My supplementary question deals with the subject introduced by Mr. Horner and spoken to by Mr. Danforth, and I think Mr. Whicher touched on what I am most interested in. I think I detected a feeling of reluctance on the

[Interpretation]

Mr. Clermont: Mr. Chairman, my questions regarding clause 4 have been answered by the officials of the Department. I hope that you have kept my name on the list with regard to clause 5. Mr. Chairman, I would like to say again that in the future when we have witnesses from private industry here, we should also have officials from the Departments concerned here. If officials from the Departments concerned take part here, this will avoid an extra sitting.

I hope you will keep my name on the list with regard to clause 5.

Le président: Merci monsieur Clermont. Nous soumettrons votre admonition au comité directeur. Monsieur Douglas.

M. Douglas: Monsieur le président, je suis d'accord avec M. Clermont. Il serait nécessaire qu'au moins un fonctionnaire du ministère soit présent lorsque des représentants de l'extérieur viendront témoigner ici.

J'aurais certainement posé cette question mardi, si j'en avais eu le temps, au sujet de cet enregistrement. Il me semble qu'il serait avantageux, non seulement pour l'industrie chimique mais également pour le consommateur de ces produits, que cet enregistrement soit appliqué particulièrement vis-à-vis des nouveaux établissements. Il est difficile de savoir dans certains cas, si ces usines ne sont pas des usines clandestines qui causeraient des ennuis aux clients et rendraient un mauvais service à l'industrie. Je crois que cette raison seule suffirait à justifier l'enregistrement des établissements et des exploitations. Je ne sais pas s'il y a lieu de s'en soucier, mais il me semblait bon de le faire remarquer.

Le président: Merci monsieur Douglas. Monsieur Thomson.

M. Thomson (Battleford-Kindersley): Il n'est pas nécessaire que je pose mes questions, elles ont déjà été posées.

Le président: Merci monsieur Thomson. M. Southam.

M. Southam: Monsieur le président, une question supplémentaire qui se rapporte à celles de MM. Horner et Whicher. Cette question m'intéresse beaucoup. J'ai remarqué une certaine hésitation de la part du témoin, mardi, au sujet des frais d'enregistrement des

[Texte]

part of the witnesses on Tuesday relative to the cost of licensing products and their plants, too. I am thinking of the monetary problem here. They seem to feel that if they are going to have to pay a licence fee for a certain number of products and a licence fee for the plant itself it could become a rather burdensome annual cost.

• 1010

In the case of a plant which had 10, or 15, or 20 products under licence, with annual payment of these fees, could there not be a compromise so that they could register their plants without their being charged a fee? That would help to lighten the burden. I can see that in some plants it would run into a great deal of money. Which, in the final analysis would be passed on to the consumer. In other words, the registration would be automatic, without any assessment of a separate charge. What is the witness's comment on that suggestion?

Mr. Phillips: Mr. Chairman, at the moment we have no plans for fees for the registration of plants. Indeed, in our general operation in the areas of feed, fertilizer and pesticide, and so on our tendency has been—indeed, regulations respecting fertilizers are before the Governor in Council now—to reduce the annual registration and have it extended for a longer period, such as five years rather than one, and with no change in the fee. It is just to cover part of the cost of the application.

Another reason for proceeding in that way in a critical area such as pesticides is that if you are reducing the annual review of the product to assist in lowering the cost of inspection we should have the opportunity to examine the plants. The fees are not intended as a revenue-producer.

Mr. Southam: Do I understand, then, Mr. Chairman, that you would depend more or less on the cost relative to these inspections on the product and that the plant would be registered automatically?

Mr. Phillips: As a general statement, it would be fair to say that there will be no additional cost in the gross registration of pesticides and plants.

Mr. Southam: Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Southam. I recognize Mr. Lessard.

M. Lessard (Lac-Saint-Jean): Monsieur le président, toujours au sujet de l'article 4, j'aimerais obtenir une précision qui me semble importante en rapport avec les déclarations de nos témoins de mardi. Supposons une com-

[Interprétation]

produits et des usines. Si ces gens doivent payer des redevances pour certains produits, et ensuite pour l'usine, cela représente un fardeau annuel assez considérable.

Dans le cas d'une usine qui a 15 ou 20 produits, sous permis, monsieur le président, je me demande si on ne pourrait pas en arriver à un compromis, leur permettant d'enregistrer les usines sans avoir à payer une redevance. Car s'il y a beaucoup de produits, cela peut vraiment entraîner des frais considérables qui, en dernière analyse, seront payés par le consommateur. Autrement dit, l'enregistrement serait automatique sans qu'on leur impose un droit supplémentaire. Qu'en pensez-vous?

M. Phillips: Monsieur le président, en ce qui concerne cette question, nous n'avons pas l'intention, pour l'instant, d'imposer une redevance sur l'enregistrement des usines. D'ailleurs, en ce qui concerne les produits antiparasitaires et les engrais, et ainsi de suite, la tendance a été de réduire les frais d'enregistrement annuels et même de prolonger l'enregistrement sur une plus longue période, soit 5 années au lieu d'une, sans accroître les redevances, qui ne font que couvrir les frais de la demande. C'est pourquoi, dans un domaine important comme celui des produits antiparasitaires, si l'on élimine l'analyse annuelle du produit afin de réduire les frais d'inspection, il importe qu'on puisse inspecter les usines. Il ne s'agit pas du tout d'obtenir de l'argent.

M. Southam: Donc, monsieur le président, on compte sur les redevances relatives aux inspections et les usines seraient enregistrées automatiquement?

M. Phillips: En général, je pense qu'il est juste de dire qu'il n'y aura pas de frais supplémentaires, en ce qui concerne l'enregistrement en masse des produits antiparasitaires et des usines concernées.

M. Southam: Merci, monsieur le président.

Le président: Merci, monsieur Southam. Je donne maintenant la parole à M. Lessard.

Mr. Lessard (Lac-Saint-Jean): Mr. Chairman, still on clause 4, I would like to have a clarification which seems important to me, concerning statements made by our witnesses last Tuesday. Let us suppose we have a firm

[Text]

pagnie qui aurait plusieurs usines au Canada, situées dans les diverses provinces, et que dans chaque usine on produise une dizaine de produits différents. Supposons l'usine A, en Ontario, qui fabrique un produit numéro 3. La compagnie fabrique ce produit à cet endroit, parce qu'il y a la matière première sur place. Mais supposons que subitement, une force incontrôlable, l'oblige à fabriquer le produit numéro 3, dans une usine de Colombie-Britannique.

Ce produit numéro 3 ayant été enregistré et étant supposément produit à l'usine A, disons, en Ontario, peut-il être produit en Colombie-Britannique sans qu'il soit nécessaire à la compagnie d'obtenir l'autorisation? Peut-on faire enregistrer un produit fabriqué en Ontario, puis changer le lieu de fabrication sans demander un nouvel enregistrement?

The Chairman: Mr. Williams?

Mr. Williams: If it is a registered product which he can produce at the present moment anywhere in Canada he could produce it at 10 plants simultaneously with only one registration. When this new act comes into effect the intent will be that a registered product can be produced in any registered plant anywhere in Canada, presuming he meets the patent requirements and so forth.

The Chairman: Mr. Jefferson has a comment.

Mr. C. H. Jefferson (Director of Plant Products Division): Mr. Chairman, in the light of current information there are no pesticides being produced at the moment that appear to qualify for prescription in the sense of providing that plants in which they are made require registration.

It is anticipated, however, that perhaps within the life of a new act—say five years hence—there could be a biological-type product, for example, that could be an excellent vector for a pathogen that could be readily spread throughout the country by this vehicle, and the only way to deal with that really effectively would be through a pre-audit of that operation to prevent its happening—to make sure that the product was produced under sterile conditions. There could be a radioactive-type pesticide that could create a hazard if it were not on specification. This simply provides the authority to deal with these eventualities if they occur.

• 1015

As I say, at the moment, at least as far as the Plant Products Division is concerned, we have no recommendation in mind requiring

[Interpretation]

with many plants in Canada, in the various provinces, and that each plant would manufacture about 10 different products. Let us suppose factory "A", in Ontario, that manufactures product number 3. The company manufactures that product in Ontario because the raw materials are to be found on the spot. But let us suppose that all of a sudden, for an uncontrollable reason, product number 3, has to be produced in British Columbia.

This number 3 product having been registered and being supposedly manufactured in plant "A", let us say in Ontario, can it be produced in B.C. without the company having to apply for authorization? Can you register a manufactured product in Ontario, then change the place of manufacture without applying for new registration?

Le président: Monsieur Williams?

M. Williams: Si c'est un produit enregistré et si, à l'heure actuelle, il peut le produire n'importe où au Canada, il peut le produire dans 10 usines simultanément en vertu d'un seul enregistrement. Lorsque la nouvelle loi entrera en vigueur, si le produit est enregistré, on pourra le produire dans toutes les usines enregistrées, n'importe où au Canada, à condition qu'il satisfasse aux exigences du brevet.

Le président: M. Jefferson voudrait faire un commentaire.

M. C. H. Jefferson (directeur de la Division des produits végétaux): Monsieur le président, à la lumière des renseignements dont nous disposons, aucun produit antiparasitaire n'est produit qui semble y satisfaire, en ce sens, que l'usine qui les produit doit être enregistrée. Mais, supposons, que durant la vie utile d'une nouvelle loi, mettons cinq ans, un produit de type biologique qui serait un excellent secteur pour un pathogène, et qui le répandrait dans tout le pays, et que la seule façon de résoudre la question serait de contrôler la production de façon à éviter ce genre de choses. S'assurer que le produit est préparé sous des conditions stériles. Un antiparasitaire de type radioactif peut constituer une menace s'il n'est pas préparé selon les normes. Cette mesure nous donne simplement l'autorité de régler cette éventualité si elle se présente.

En ce qui concerne la Division des produits végétaux, nous n'avons aucune recommandation quant à l'enregistrement des produits

[Texte]

any registration of plants within the immediate or even foreseeable future.

The Chairman: Thank you, Mr. Jefferson. I recognize Mr. Horner.

Mr. Horner: Mr. Williams, you stated that up until now no plants had been registered. Am I correct in that?

Mr. Williams: That is correct.

Mr. Horner: Why do you now feel it necessary to have plants registered?

The Chairman: I think that question has just been answered.

Mr. Horner: I heard the answer. I will put the question in a different way. In answer to a previous question you said that you felt that a once-in-a-lifetime registration of a plant would be sufficient to allow your Department to police the industry.

The Chairman: Mr. Williams?

Mr. Williams: When I talked of a once-in-a-lifetime registration I was not implying that we would never look at the plant again.

For example, to go back to the old case of meat packing establishments, we register them. From time to time we ask them to make changes as their equipment may become such as not to be particularly suitable any longer, and things of that nature, but it is still the original registration. This is all I was trying to say.

Mr. Horner: What actual effect will a once-in-a-lifetime registration have? You are always registering the products and you are inspecting the formulae and the makeup of the products at all times?

Mr. Williams: The purpose of requiring registration is so that we have authority to say that no plant can produce such-and-such unless it is a registered plant. It is an enforcement measure. If they are not meeting the changed conditions, or if they are not keeping their plant up to date, shall I say—things of that nature—we are able to cancel the registration so that they cannot continue to operate and put an inferior, or unsatisfactory, or dangerous, product on the market.

Mr. Horner: Yes; but they cannot put a dangerous product on the market. You can red tag it, as the witness said on Tuesday, and take it off the market immediately.

Mr. Williams: That is correct; if we had inspectors in every plant at all times and if

[Interprétation]

dans l'avenir immédiat ou dans l'avenir prévisible.

Le président: Merci, monsieur Jefferson. Je passe la parole à M. Horner.

M. Horner: Monsieur Williams, vous avez déclaré qu'aucune usine n'a été enregistrée jusqu'ici. Est-ce exact?

M. Williams: C'est exact.

M. Horner: Pourquoi pensez-vous qu'il soit maintenant nécessaire d'enregistrer les usines?

Le président: Je pense que nous venons de répondre à cette question.

M. Horner: J'ai entendu la réponse. Je vais poser la question autrement.

Vous avez dit que vous voulez un seul enregistrement de l'usine durant sa vie utile, et que ce sera suffisant pour permettre à votre ministère de contrôler l'industrie?

Le président: M. Williams.

M. Williams: Eh bien! lorsque j'ai parlé d'un enregistrement unique, je ne voulais pas dire que nous n'inspecterons l'usine qu'une seule fois. Reprenons une fois de plus le cas des établissements d'emballage de viande. Nous les enregistrons puis, de temps à autre, nous leur demandons de transformer leurs installations, si elles ne sont plus appropriées, mais l'enregistrement est toujours le même. C'est tout ce que je voulais dire.

M. Horner: Quel effet réel aura un enregistrement unique et définitif? Vous enregistrez toujours le produit et vous contrôlez la formule et la composition du produit à tous moments.

M. Williams: Le but de l'enregistrement, est qu'alors nous aurons l'autorité d'interdire une usine de produire tel et tel produit, à moins qu'elle ne soit enregistrée. C'est une mesure coercitive. Si l'usine ne s'en tient pas aux normes, si elle n'est pas suffisamment moderne et ainsi de suite, nous pouvons annuler l'enregistrement, et ainsi empêcher l'usine de produire un produit inférieur et de le mettre sur le marché.

M. Horner: Elle ne peut pas mettre un produit dangereux sur le marché; car vous pouvez lui mettre une étiquette rouge et en arrêter la commercialisation.

M. Williams: C'est exact, si nous avons des inspecteurs dans toutes les usines à tout

[Text]

we did 100 per cent inspection of the commodities coming out of them.

Mr. Horner: Are you going to have an inspector in all plants after this bill is...

Mr. Williams: There is no intention of having inspectors continuously in any plants.

Mr. Horner: I have no further questions.

The Chairman: Thank you, Mr. Horner. I recognize Mr. Gleave.

• 1020

Mr. Gleave: I wish to pursue a point which I raised when you were before us the other day. I do not know whether I am using the right phrase but I asked about using generic terms and the labelling of these products so that the user would have a clearer idea of what he was buying and what he was using, and if I recall, the answer I got from Mr. Phillips was that there were 200 or 300 of these and that it could not be done.

The answer I got from the chemical people the other day, again speaking from memory, is that maybe it could be done in terms of numbers of names, but that what happened is that by the time it got out of the plant the plant people had put their trade names on it and the generic name got lost in the process. Did I get a full answer from Mr. Phillips the other day, and in the light of what these people say, is there any possibility of straightening this out?

Mr. Jefferson: Mr. Chairman, the trade, of course, like to use their trade names and the legislation would not prevent the trade from using their trade names. But the current regulations and the authority in this Bill do require that the active ingredients of the product be labelled with the generic name, or the chemical name if there is not a generic name. It must be referred to in what we term the name statement of the product. If it is "Joe Bloe's Weed Killer" it has to be "Joe Bloe's 2-4-D Weed Killer"—2-4-D being a generic term or a common name; an abbreviation of a rather complex chemical name. In addition to its having to be in the name statement it must also be in the guarantee statement, which is a declaration of the active ingredient content, both quantitatively and qualitatively. So the information is there if one reads the label.

[Interpretation]

moment et si nous faisons l'inspection de toutes marchandises produites par l'usine.

M. Horner: Est-ce que vous aurez des inspecteurs dans chaque usine?

M. Williams: Non, nous n'avons pas l'intention d'avoir des inspecteurs attachés de façon permanente à chaque usine.

M. Horner: C'est tout, monsieur le président.

Le président: Merci, monsieur Horner. Je donne maintenant la parole à M. Gleave.

M. Gleave: Je voudrais revenir à un point que j'ai soulevé lorsque vous avez témoigné l'autre jour. J'ai demandé si l'on pourrait pas utiliser le terme générique, je ne sais pas si c'est l'expression exacte, pour l'étiquetage des produits, de façon que l'utilisateur ait une meilleure idée de ce qu'il achète et de ce qu'il utilise.

Si je me souviens bien de la réponse que M. Phillips m'a donnée, il y a deux ou trois cents noms de ce genre et cela, on ne pouvait pas le faire. La réponse des gens de l'industrie chimique, et je parle à nouveau de mémoire, était que ce serait peut-être possible en ce qui concerne les noms, mais ce qui se produit c'est que, une fois que le produit sort de l'usine, les gens de l'usine y apposent leur marque commerciale. Le nom générique se perdant en cours de route. Ai-je eu l'autre jour une réponse complète de la part de M. Phillips, et, à la lumière de ce que ces gens ont dit, y a-t-il un moyen de résoudre ce problème?

M. Jefferson: Il est évident que les revendeurs veulent se servir de leurs marques de fabrique. Et on ne peut les en empêcher. Mais les dispositions actuelles et l'autorité de ce bill veulent que les ingrédients actifs du produit soient étiquetés sous leurs noms génériques, ou chimiques à défaut de noms génériques. Cela doit être mentionné dans ce que nous appelons le nom de déclaration du produit. S'il s'agit d'un désherbant, par exemple, ce sera le "Joe Bloe's 2-4-D, 2-4-D étant l'abréviation générique d'une désignation chimique complexe. Cela doit également figurer dans la déclaration de garantie, qui est une description à la fois quantitative et qualitative des ingrédients actifs utilisés—Toutes les données figurent ainsi sur l'étiquette.

[Texte]

Mr. Williams: May I ask Mr. Jefferson, Mr. Chairman, to carry that in so far as advertising is concerned.

Mr. Jefferson: Mr. Chairman, with respect to advertising, the present regulations do not cover advertising. I am not sure how it could be possible to require the advertising statement in every case to refer to the generic or the chemical name. It would louse up the message in many cases because of the difficulty of not having a common name or a generic name, and some of the chemical terms, as you will appreciate, are virtually unreadable, let alone pronounceable. So I do not know just how it would be possible—and this was referred to earlier—to simplify the language for some 350 different active ingredients that occur in pesticides, either singly or in various combinations.

Mr. Gleave: Mr. Chairman, the answer I am getting is that it is not possible to move in this direction or to get some action in this direction? If I have to accept this answer I will accept it, but I get a little fed up with getting lots of salesmanship when what I really want to know is what is in the can. That is essentially what we get too often on the buying end. Maybe it is not pronounceable but that does not bother me. It may bother me if it is not readable but it has to be pretty bad English to be not readable.

The Chairman: Mr. Phillips will comment.

Mr. Phillips: Supplementary to what Mr. Jefferson has said: Mr. Jefferson has said that the legislation now provides, and will continue to provide, for the proper identification of the product with the name of the chemical, or the generic name, or the common name—something more than just the words “weed killer”. He went on to say that in terms of the current legislation advertising is not covered. We have been informed that in terms of advertising in commodity legislation there is no need for it because the Criminal Code covers the matter of false and misleading advertising.

• 1025

The Chairman: I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, I have been very much impressed by some of the answers we have been given by the witnesses this morning, and Mr. Jefferson's answer on the registration of plants certainly cleared up a lot of doubt that I had in my mind.

[Interprétation]

M. Williams: Est-ce qu'on pourrait demander également que cela figure dans la publicité?

M. Jefferson: Monsieur le président, les règlements actuels ne s'appliquent pas à la publicité. Je ne vois pas comment il serait possible d'exiger que le message publicitaire donne dans tous les cas le nom chimique ou générique. Il est certain que le message publicitaire serait complètement déformé en l'absence d'un nom courant ou générique pour la spécialité. Sans compter que certains des termes chimiques, vous vous en rendez compte, sont pratiquement illisibles et encore moins prononçables. Je ne vois donc pas comment cela serait possible. Il a été précédemment question de simplifier les noms des quelque 350 ingrédients actifs qui sont utilisés dans les antiparasitaires.

M. Gleave: Monsieur le président, donc la réponse qu'on me donne est qu'il n'est pas possible de progresser dans ce sens ou d'obtenir des mesures dans ce domaine. Si je dois accepter cette réponse, je l'accepterai, mais j'en ai un peu par-dessus la tête de ces considérations commerciales. Lorsque nous achetons, ce que nous voulons savoir c'est ce qu'il y a réellement dans le flacon. Ce n'est peut-être pas prononçable, mais cela ne me fait rien. Je serais peut-être ennuyé si ce n'était pas lisible, mais il faudrait que ce soit de l'anglais joliment mauvais pour que cela arrive.

Le président: Une question supplémentaire.

M. Phillips: Une question supplémentaire à l'intervention de M. Jefferson. M. Jefferson a dit que la loi prévoit maintenant et continuera à prévoir l'identification appropriée du produit, avec le nom des composants chimiques, ou le nom générique, ou encore le nom courant, avec quelque chose de plus que le simple mot: «herbicide». Il a poursuivi en nous disant qu'avec la loi actuelle, la publicité n'est pas affectée. On nous a informé qu'en ce qui concerne la publicité, la législation en matière de commodités n'intervient pas, du fait que le Code criminel couvre les cas de publicité mensongère ou trompeuse.

Le président: Une question supplémentaire. Je passe la parole à M. Danforth.

M. Danforth: J'ai été fortement impressionné par certaines des réponses fournies par les témoins ce matin, et celle de M. Jefferson au sujet de l'enregistrement des usines a certainement dissipé un grand nombre de mes doutes.

[Text]

I would like to pursue this matter if I may, Mr. Chairman, in another area but I think it is covered under Clause 4. I am wondering about the status of, for example a commercial sprayer or an individual who makes a chemical for a prescribed purpose who is perhaps a commercial farmer and not a licensed industry, as prescribed under Clause 4.

Most of the chemicals being used on the farms today are registered, or perhaps all of them are registered. But we are finding more and more a tendency towards the combination of chemicals for a dual or perhaps a triple purpose in their use; and some farmers have found to their dismay that some of these chemicals, when mixed, produce an entirely new compound and that some of the prescribed activities are either curtailed or, in other instances, magnified in their action.

Is there any control over this? Will there be stated on the prescribed or registered chemicals that under no condition should chemical "X" be used in conjunction with chemical "Y", or that if chemical "X" is to be used in conjunction with chemical "Y" certain conditions must be met? How are we going to control this? In effect a commercial sprayer, or one who sprays commercially, in combining registered compounds is perhaps manufacturing a new formula and by carrying it by plane, or by truck, or tank, he is transporting it and could be transporting it interprovincially, and by using it he is selling it, all of which conditions are carefully set out under this Bill and under this Clause. What is the status of this commercial sprayer and what safeguards do we have in this regard?

Mr. Jefferson: Mr. Chairman, I think I can perhaps answer this in two parts. First, labelling—and labelling includes more than just the printed paper on a package; it also includes the supplemental literature that goes with a product when it is purchased—is required to carry information on the compatibility of a particular pesticide with others with which it might be mixed. The trade normally will voluntarily include the positive statement that it will mix with certain materials, and similarly they will want to put on directions covering those mixtures that should not be made because of the incompatibility of the ingredients. But this is subject to review and scrutiny and assessment in the registration process and the review of labels, so that although there are errors of omission occasionally, by and large these are very few. So the information is there with the product as it is offered for sale.

[Interpretation]

Je voudrais aller un peu plus loin, monsieur le président, dans un autre domaine qui est couvert, je crois, par l'article 4. Et je me demande quelle est la situation en ce qui concerne par exemple un pulvérisateur professionnel, ou un individu fabriquant un produit chimique à certaines fins spécifiques, et qui est peut-être un fermier et non un industriel enregistré conformément à l'article 4.

La plupart des produits chimiques utilisés aujourd'hui dans les exploitations agricoles sont enregistrés, peut-être même tous. Mais on constate des tendances de plus en plus nettes à mélanger certains produits pour arriver à deux ou trois fins diverses. Des agriculteurs ont constaté à leur grand dam que certains de ces produits chimiques, lorsqu'ils sont combinés, donnent un mélange entièrement nouveau, les effets normalement obtenus étant soit amoindris, soit au contraire suractivés.

Y a-t-il quelque contrôle là-dessus? Indiquera-t-on l'étiquette des produits qu'en aucun cas le produit X ne doit être utilisé avec le produit Y, ou que le produit X, s'il est combiné avec le produit Y, doit l'être sous certaines conditions particulières. Comment allons-nous contrôler cela, car en fait un pulvérisateur commercial, lorsqu'il mélange des composés industriels, fabrique peut-être une nouvelle formule. A l'aide de son réservoir, de son camion ou d'un avion, il transporte ce produit, pouvant même faire des transports interprovinciaux, et en s'en servant, il le vend. Toutes ces opérations étant soigneusement régies par ce Bill et cet article, quelle sera alors la situation juridique de ce pulvérisateur, et de quelles garanties pouvons-nous nous entourer à son égard?

M. Jefferson: Je pourrais peut-être, monsieur le président, répondre en deux parties. Tout d'abord, en invoquant l'étiquetage, et celui-ci comprend beaucoup plus que le petit papier imprimé qui se trouve sur le contenant. Il y a aussi la documentation qui accompagne le produit lorsqu'on l'achète. On exige que des renseignements au sujet de la compatibilité d'un pesticide particulier avec d'autres soient inclus dans les informations que contient la documentation. Habituellement, les fabricants indiquent d'eux-mêmes les mélanges possibles. De la même façon, ils ont l'intention de donner des instructions à propos des combinaisons à éviter en raison de l'incompatibilité des ingrédients. Tout cela est sujet à examen lors du processus d'enregistrement des marques, si bien que malgré quelques erreurs d'omission, les renseignements sont là au moment de la mise en vente du produit.

[Texte]

Secondly, at the moment the commercial pest control operator is now free, in effect, to do as he pleases as far as direct federal supervision is concerned, but in some cases not with respect to provincial legislation. For example, the Ontario regulations constrain him to provide a control service and to use those products in accordance with their registered uses. As a matter of fact, I believe that only registered pesticides can now be legally used in the Province of Ontario.

• 1030

With respect to the provisions of this bill, where provincial legislation does not prevent the kind of thing that you are referring to—inappropriate mixtures and their sale to farmers—then it is our intention to develop regulations that will be operative and will prevent these individuals from selling this kind of a product and peddling this kind of a use, if you like, that would result in a product or a service that was either not effective or was going to cause damage or create a residue hazard.

The Chairman: Thank you, Mr. Jefferson. Shall Clause 4 carry?

Mr. Danforth: Mr. Chairman, may I please be permitted to carry on with a few supplementaries on this subject that I consider to be very important. Mr. Jefferson's explanation was quite full and I appreciate it, but I have two supplementaries.

In a combination of a series of complete registered products is the onus left strictly to the chemical company which is submitting a product for registration to supply information and experimental data with respect to the degree it will combine or not combine with other products, or does the Department through its extension service run the same degree of testing on this particular aspect of the product as it does on its component parts?

The Chairman: Mr. Jefferson?

Mr. Jefferson: Mr. Chairman, while the onus, of course, is on the applicant to support his representations for registration, in our regulatory function we are concerned as to the credibility of the information that is provided. In this process, depending on how reliable the data looks and its source, we may involve the research branch of the Department, in our examination of that product to what amounts to a verification test. It may not be as extensive as the work that was done by the firm but it will at least provide, if you

[Interprétation]

Deuxièmement, alors que l'exploitant de produits antiparasitaires est libre, pour le moment, de faire ce qu'il veut—car un exploitant de produits antiparasitaires est libre de faire ce qu'il veut, en ce qui concerne la surveillance fédérale directe, mais non, dans certains cas, en ce qui concerne les mesures législatives provinciales. Les règlements de l'Ontario, par exemple, forcent l'exploitant à fournir un service de contrôle et à employer ces produits selon l'usage enregistré. En fait, j'ai l'impression que seuls les produits antiparasitaires enregistrés peuvent être employés, légalement, en Ontario.

En ce qui concerne les dispositions du présent bill, là où la législation provinciale n'empêche pas le genre de choses que vous mentionnez, soit les mélanges inappropriés et leur vente aux cultivateurs, ce serait alors notre intention d'établir des règlements qui entreraient en vigueur et empêcheraient ces gens de vendre ce genre de produits ou d'en préconiser un usage qui rendrait le produit ou le service inefficace ou qui causerait des dommages ou une menace de résidus.

Le président: Merci, monsieur Jefferson. Est-ce que l'article 4 est adopté?

M. Danforth: Monsieur le président, est-ce que je pourrais continuer avec quelques questions supplémentaires à ce sujet, car j'estime que la question est importante. L'explication de M. Jefferson a été très complète et je l'apprécie, mais j'aurais deux questions supplémentaires à poser.

Dans une combinaison d'une série complète de produits enregistrés, est-ce que c'est la stricte responsabilité de la compagnie de présenter la demande d'enregistrement, de fournir les renseignements, les données au sujet des expériences, quant à la mesure dans laquelle le produit se mélange ou non avec d'autres produits, ou est-ce que le ministère, grâce à son service d'extension, fait les mêmes essais pour ces produits tout comme pour ses composants, ses ingrédients?

Le président: Monsieur Jefferson?

M. Jefferson: Monsieur le président, même si le fardeau relève de celui qui demande l'enregistrement pour prouver la demande, du point de vue de la réglementation, nous devons vérifier l'exactitude des données. Et selon que les renseignements soient ou non fiables, ou nous semblent fiables, nous pourrions peut-être demander à la division des recherches du ministère de faire une vérification ou un essai du produit. Ce ne serait peut-être pas aussi complet que l'essai fait par la compagnie, mais, au moins, pour l'éva-

[Text]

like, a third party assessment to verify that in fact the data is good. Does this answer your question?

Mr. Danforth: Yes. I have one further supplementary, if I may, Mr. Chairman, and it deals with the custom sprayer or the custom operator. I was very interested in the remarks to the effect that perhaps this matter would be considered fully under regulation and the necessary action taken. Could the witnesses give me some indication whether they feel that a commercial sprayer who has a seat of operation and, in effect, combines various chemicals for a specific purpose, could be classified as a manufacturer and would his premises be subject to registration? Also, because of the fact that the custom sprayer sells and distributes these products and he is a man that the farmers rely on, and perhaps will have to do so even more in the future as spraying and the use of chemicals becomes increasingly intricate and the machinery becomes even more involved and costly, can the witnesses say whether or not he should be duly licensed or registered both as a distributor and as a manufacturer under this proposed Act?

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The Chairman: Mr. Jefferson?

Mr. Jefferson: Mr. Chairman, it is again going to depend on the circumstances that develop. In the sense of the degree of risk, if you like, to the public interest or the farmers' interest that is associated with this kind of an operation, the authority would be here. I would suspect that if provincial action had been taken to, in effect, license these people—as is the case in Ontario—the exemption provision of this bill would be brought into effect to avoid a duplication of regulations. That is not a specific answer.

Mr. Danforth: My particular concern is that there would be a definite avenue whereby the welfare of the farmers and the products would be under direct supervision in this particular field to the same degree as they are in connection with the primary manufacture of the chemicals themselves. This is the point that I am trying to make.

The Chairman: I think Mr. Williams has a comment.

Mr. Williams: Mr. Chairman, if I might make a supplementary answer to the one Mr. Jefferson has provided, I think it is fair to say that when this legislation was drawn up it was not our intention to cover the type of

[Interpretation]

luation et la vérification, nous en faisons. C'est ce que vous demandez, monsieur Danforth?

M. Danforth: Oui. Une autre question supplémentaire, si vous me le permettez, monsieur le président. Il s'agit du pulvérisateur commercial. En vertu des règlements, cette question sera probablement étudiée et les mesures prises en conséquence. Les témoins pourraient-ils m'indiquer s'ils estiment qu'un pulvérisateur commercial qui a un siège d'exploitation et qui, en fait, combine ou mélange différents produits chimiques à des fins précises, pourrait être classé comme fabricant et est-ce que son établissement serait alors sujet à l'enregistrement? De plus, en raison du fait que le pulvérisateur commercial vend et distribue ces produits et que c'est un homme auquel les cultivateurs se fient et qu'ils devront le faire de plus en plus, à l'avenir, au fur et à mesure que la pulvérisation et l'emploi de produits chimiques augmente et devient de plus en plus complexe et que les machines deviennent de plus en plus compliquées, les témoins pourraient-ils alors nous dire si ces pulvérisateurs doivent être enregistrés ou avoir un permis d'exploitation, en vertu de la présente loi, en tant que distributeurs et en tant que fabricants?

Le président: Monsieur Jefferson?

M. Jefferson: Monsieur le président, encore une fois, cela dépendra des circonstances. Selon la mesure de risques, si vous voulez, pour l'intérêt du public ou l'intérêt du cultivateur en cause dans cette exploitation, l'autorité se trouverait dans la loi. J'imagine que si la province avait pris des mesures pour enregistrer ces producteurs ou ces pulvérisateurs, comme c'est le cas dans l'Ontario, on éliminerait le double emploi de ses fonctions grâce à cette mesure législative. Cette réponse n'est pas précise.

M. Danforth: Ce qui me préoccupe plus précisément, c'est qu'il y a certainement moyen d'assurer ou de garantir, de surveiller l'intérêt du cultivateur ou des producteurs, dans la même mesure qu'on le fait pour la compagnie qui fabrique le produit chimique. C'est ce que j'essaie d'éclaircir.

Le président: Je crois que M. Williams a un commentaire.

M. Williams: Monsieur le président, si je puis donner une réponse supplémentaire à celle donnée par M. Jefferson, je crois qu'il serait juste de dire ou exact de dire que nous n'avions pas l'intention, lorsque nous avons

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operation that Mr. Danforth has described as a manufacturing operation. Rather, the intent was to utilize the provisions of Sections 31 and 33—I believe those are the two most applicable ones—to make it an offence for anybody to use a control product under unsafe conditions. In other words, it was our feeling that the question of custom sprayers and things of this nature could probably be regulated in a sufficiently satisfactory manner, subject to the conditions that Mr. Jefferson outlined in respect of provincial authority and so forth, by making it an offence to use any control product under unsafe conditions.

Mr. Danforth: But these commercial sprayers would not normally be registered federally under this proposed Act and in each instance a great deal of attention would have to be given to the provincial regulations in this regard. Am I correct in that assumption?

Mr. Williams: I think that was our intent. However, in further explanation I would say that if, for example, a very large and complex type of operation grew up it might be felt desirable to consider him a manufacturer and register him. On the other hand, I think everyone here appreciates the fact that the question of custom spraying covers a very, very wide gamut of operations. It goes from those people who are carrying on the type of operation that Mr. Danforth described to the people who are simply spraying their neighbours' fields at a very minimum charge per acre. Certainly we have no intent and no wish to put many of those operations under a registration procedure.

The Chairman: Thank you, Mr. Danforth.

Clause 4 agreed to.

On Clause 5—Regulations

Mr. Horner: In Clause 5, and particularly subclause (d), we are dealing with control of the company and the product. We are also dealing with the matter of prescribing the method by which the manufacturing could be carried out. Is it the intention of the Department to actually recommend under Clause 5(d) and (e) the prescribed methods of manufacturing in any way?

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The Chairman: Mr. Jefferson?

Mr. Jefferson: Mr. Chairman, as indicated earlier, these subclauses are there to make operative the provisions of Clause 4(2) and to the extent that products are prescribed for purposes of registering or regulating the

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rédigé la mesure législative, de gouverner le genre d'exploitation décrite par M. Danforth, à titre de fabricant. Mais, plutôt, nous avons l'intention de nous reporter à l'article 31 et à l'article 33, qui sont à mon avis les deux plus applicables, pour que ce soit une infraction pour quiconque d'employer un produit antiparasitaire dans des conditions dangereuses. En d'autres termes, les pulvérisateurs commerciaux et autres choses de cette nature pourraient peut-être réglementer de façon satisfaisante, sous ces articles, les conditions énoncées par M. Jefferson, en ce qui concerne l'autorité provinciale, en précisant que ce serait une infraction d'utiliser un produit antiparasitaire dans des conditions dangereuses.

M. Danforth: Mais ces pulvérisateurs commerciaux, normalement, ne seraient pas enregistrés auprès du gouvernement fédéral, en vertu de cette loi. Il faudrait examiner les règlements provinciaux, très attentivement dans chaque cas, n'est-ce pas, à cet égard? Ma supposition est-elle correcte?

M. Williams: Je crois que c'était notre intention, oui. Mais, pour suppléer à ces renseignements, je dirais que s'il s'agit d'une opération très complexe nous pourrions peut-être, alors, la considérer comme fabricant et l'enregistrer. En ce qui concerne la pulvérisation sur demande, il y a une très vaste gamme dans ce domaine. Et si vous ne parlez que des pulvérisateurs qui le font pour leurs voisins à des frais très minimums par acre. Il y a certainement beaucoup de ces opérations, de ces exploitations que nous n'avons aucunement l'intention ni le désir d'enregistrer.

Le président: Merci, monsieur Danforth.

L'article 4 est adopté.

L'article 5—Règlements.

M. Horner: Dans l'article 5, et particulièrement le paragraphe d), nous parlons du contrôle du fabricant et du produit. Nous traitons aussi de la question de prescrire la méthode de fabrication. Est-ce l'intention du ministère de recommander, en fait, en vertu de l'article 5 d et e, de prescrire les méthodes de fabrication d'une certaine façon?

Le président: Monsieur Jefferson?

M. Jefferson: Monsieur le président, comme nous l'avons indiqué un peu plus tôt, ces paragraphes sont là en vue de l'application du paragraphe (2) de l'article 4. Et dans la mesure où les produits sont prescrits aux fins

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manufacturing process itself, then I think the intention would be to prescribe procedures of manufacture and so on. For example these could be; not permitting for the manufacture of insecticides and fungicides the use of equipment that was used for the manufacturing and formulation of herbicides, because of the high risk of cross contamination—this kind of thing.

Mr. Horner: Clause 5(k) deals with packaging and labelling. I can well understand the labelling, but is it the intention of the department to recommend how the product shall be sold, the type or size of packaging, or anything like that?

Mr. Jefferson: Mr. Chairman, we had in mind, with respect to this provision, carrying on an authority which exists under the current Act. For example, if a particular product happens to be a fire hazard, such as sodium chlorate, then the packaging for that should be of non-combustible material; or perhaps a material like selenium or antimony, which may be very effective as a bait, to prescribe that such a highly dangerous bait material must be in a tamper-proof type of container that ants can get into but youngsters cannot; or it may be a material which is quickly destroyed by ordinary radiation, in which case the prescription would be that it must be in opaque containers rather than clear glass. This is the type of standard, if you like, which is contemplated here.

Mr. Horner: In that same subclause what is meant by "respecting the advertising of the product"? As I said, I can understand the labelling but is this faulty advertising you are concerned with?

Mr. Jefferson: Yes, Mr. Chairman, this would be the type of thing, or it may well be, in getting back to an earlier question here, that in certain types of advertising the principle active ingredient must be declared along with the trade name. As an example, this is kind of thing could be provided for.

Mr. Horner: I have no further questions.

The Chairman: Mr. Danforth.

Mr. Danforth: Mr. Chairman, this Clause brings up one of the major points raised by the witnesses from the industry at a previous meeting, when they indicated that there were a large number of regulations that would be

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de l'enregistrement ou aux fins de la réglementation du processus de fabrication même, je crois que l'objet serait alors de prescrire des procédés de fabrication, et ainsi de suite. Cela pourrait être par exemple, de ne pas permettre d'utiliser pour la fabrication d'insecticides et de fongicides du matériel qui avait servi à la fabrication et à la mise au point d'herbicides, en raison du grand risque de contamination.

M. Horner: L'alinéa k) de l'article 5 traite de l'emballage et l'étiquetage. Je comprends très bien que l'on veuille réglementer l'étiquetage, mais est-ce l'intention du ministère d'établir comment on doit vendre le produit, dans quelle taille et quelle sorte d'emballage, etc?

M. Jefferson: Monsieur le président, nous avons l'intention, par cette disposition, de maintenir l'autorité qui existe déjà aux termes de la Loi actuelle. Par exemple, si un produit particulier est inflammable, comme le chlorure de sodium, il doit être emballé avec une matière non combustible; ou dans le cas du sélénium ou de l'antimoine, qui peuvent être très efficaces comme appât, on prescrit que ces produits si dangereux doivent être dans un contenant que l'on ne puisse ouvrir, et dans lequel les fourmis puissent pénétrer, mais que les enfants ne puissent toucher; ou encore, s'il s'agit d'une matière qui est facilement détruite par les rayons ordinaires, on prescrit que le contenant doit être en matière opaque, et non en verre transparent. C'est là le genre de normes, si vous voulez, que l'on prévoit ici.

M. Horner: Qu'est-ce que l'on entend, dans ce même alinéa, par l'expression «concernant l'annonce de produits antiparasitaires»? S'agit-il de la publicité trompeuse?

M. Jefferson: Oui, monsieur le président, c'est de ce genre de choses qu'il s'agit; ou bien cela pourrait signifier, pour en revenir à une question posée tout à l'heure, que dans certains genres de publicité, il faut que l'ingrédient principal soit déclaré en même temps que la marque de commerce. C'est là le genre de choses que l'on veut réglementer.

M. Horner: C'est tout, je n'ai pas d'autres questions.

Le président: Monsieur Danforth?

M. Danforth: Monsieur le président, cet article soulève l'un des points principaux mentionnés par les témoins de l'industrie lors d'une réunion précédente, lorsqu'ils nous avaient dit qu'il y avait un très grand nombre

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necessary and to which they would have to be subject carrying out the intent of this Bill. They pointed out to the Committee that in the Bill there did not seem to be any avenue of appeal regarding what they might consider undue hardship under any series or any single regulation as prescribed. In reading the Bill and thinking about their contention in this regard I am inclined to become quite sympathetic with their contention. I think it is well pointed out under two sections of this clause: for example, in Clause 5 (e), a regulation

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(e) respecting the inspection and operation of establishments in which any prescribed control products are manufactured:

As an example, there may be a chemical where the department may feel there are three steps necessary in the refining of this particular product to obtain the end result whereas a company might feel that two steps only are necessary to obtain the desired result. Therefore, there would be a conflict of opinion. However, under this Bill the company would have no recourse. They would have to accept as prescribed the rulings of this Bill and the ruling of the inspector.

Another example is subclause (f) under which the Governor in Council may exempt any control product. For example, two companies may each be making a product quite similar in nature: under this Bill one product could be exempt from certain regulations but in the case of the allied product it might be felt not desirable at that time to exempt it. This, too, would be a conflict of opinion. Since these regulations are quite extensive and do have quite a control over a particular industry, should there not be such a provision written into the Bill rather than merely leaving the matter to such regulations as may be prescribed. In this way there would be an avenue of appeal and then there would be no contention or argument. This appeal would be provided for.

Mr. Chairman, I do not wish to make a statement at this time, but I note that in other Bills brought before this Committee where farmers were concerned that they were given a direct avenue of appeal, and I am just wondering if this other industry is not entitled to the same consideration by the Committee.

Mr. Williams: I do not know, Mr. Chairman, if I can add much to the discussion that took place previously on this. The position of

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de règlements qui seraient nécessaires et auxquels ils devraient se soumettre pour l'application de la loi envisagée. Ils ont signalé aux membres du Comité qu'il ne semblait pas y avoir dans le Bill de mention d'un droit d'appel à l'égard de ce qu'ils pourraient estimer être un traitement trop sévère en vertu d'un règlement ou d'une série de règlements. En lisant le Bill, et en songeant à ce qu'ils nous ont dit à cet égard, je suis porté à défendre leur point de vue. Je crois que cela ressort bien de deux sections de cet article. Par exemple, le règlement suivant à l'alinéa e) de l'article 5;

e) concernant l'inspection et l'exploitation des établissements dans lesquels est fabriqué un produit antiparasitaire prescrit.

Il peut y avoir, disons, un produit chimique pour lequel le ministère est d'avis que trois étapes sont nécessaires dans le raffinage afin de parvenir au résultat final, alors qu'une société estime que deux étapes seulement sont nécessaires. Il y aurait donc conflit d'opinions. Mais en vertu de ce Bill la société n'aurait aucun recours. Elle devrait accepter tout simplement le règlement prescrit en vertu de cette loi et la décision de l'inspecteur.

Un autre exemple en est l'alinéa f), selon lequel le gouverneur en conseil peut exempter n'importe quel produit antiparasitaire. Par exemple, deux compagnies peuvent fabriquer chacune un produit presque identique: or, en vertu de ce Bill, l'un des produits pourrait être exempté de certains règlements, alors que l'on pourrait estimer qu'il n'est pas souhaitable, à ce moment-là, d'exempter le produit connexe. Là encore, il y aurait conflit d'opinions. Étant donné l'ampleur de ces règlements et l'étendue de leur contrôle sur une industrie particulière, ne devrait-on pas inclure une disposition de ce genre dans le Bill, au lieu de laisser tout simplement la question aux règlements qui pourraient être prescrits. Il y aurait ainsi un droit d'appel, et cela éviterait les discussions et les conflits. Le droit d'appel existerait.

Je ne veux pas me lancer dans un discours, mais je constate que dans certains autres Bills soumis à notre Comité, et qui concernaient les agriculteurs, on avait donné à ces derniers un droit d'appel, et je me demande si cette autre industrie n'a pas droit à la même considération de la part du Comité.

M. Williams: Je ne sais pas, monsieur le président, si je peux ajouter beaucoup à la discussion qui a déjà eu lieu à ce sujet. Le

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the department is that it would be most unwise in terms of dollars to provide for an appeal procedure that required a duplication of the technical expertise to be found within the department. In other words, if it were to be referred to some other jurisdiction, it would seem to me that they would have to set up the expertise to evaluate the submission of the applicant for registration. This means, then, if one accepts that—and I am not suggesting that the Committee must accept it; I am not suggesting that at all—it is our feeling on the matter that it would be most difficult and most expensive to set up this type of thing. If one accepts that, it then becomes a question as to whether or not it is necessary to put in as a provision the right of any applicant for registration to appeal to a higher level within the department, whether that be the deputy minister, the minister, or the director general of the branch, or whatever level it might be. I suppose that our feeling within the department is that these appeals take place at all times anyway. Anybody who is unhappy about the action of a person at one level in the department certainly has never been constrained, to my knowledge, because it was not written into some Act that he had the right to appeal to another level. He has always made these appeals.

I suppose my only concern, gentlemen—and this is very much a philosophical one—is that a person who knows his opinion or decision is liable to appeal with any degree of frequency will tend to take less responsibility about his decision, in that he may say, "All right, I will turn it down. I do not want to take the weight of this decision. I will turn it down and let the deputy minister or the minister decide." I am giving a very personal opinion on this matter, but I would hate to see our employees within the department developing this philosophy that there is no need for them to look at this too hard because somebody at a higher level is going to decide finally. I personally believe that authority has to be delegated downward to the people who have the technical knowledge and the responsibility for the assessment of these products.

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Having said that I do not believe that in any way, shape or form, one should reach the conclusion that I am against appeal procedures because we do embody them. We embody them in the regulations. We have them in our Fertilizers Act.

In general, however, the appeals there are associated with a cancellation. We have them in our Canada Grain Act. It is against a cancellation, and in general the appeal takes the

[Interpretation]

ministère estime qu'il serait très imprudent, du point de vue financier, de prévoir une procédure d'appel qui nécessiterait que l'on double le personnel d'experts techniques que nous avons dans le ministère. En d'autres termes, s'il fallait renvoyer la décision à une autre autorité, il serait nécessaire, je pense, d'établir un groupe d'experts pour évaluer la déclaration de celui qui demande l'enregistrement. Cela veut dire que, si l'on acceptait cette mesure—et je ne veux absolument pas dire que le Comité devrait l'accepter—il serait, à notre avis, très coûteux et très difficile même d'établir ce genre de groupe. Si l'on accepte cela, il faut alors décider s'il est nécessaire ou non d'inclure une disposition donnant à tout candidat à l'enregistrement le droit d'en appeler à un niveau supérieur au sein du ministère, qu'il s'agisse du sous-ministre, du ministre, du chef de la direction ou de qui que ce soit. J'ai l'impression qu'au sein du ministère, nous estimons que ces appels se font sans cesse de toute façon. Qui-conque est mécontent de la décision prise par une personne à un niveau du ministère n'a certainement jamais été limité, pour autant que je sache, sans prétexte que le droit d'en appeler à un autre niveau n'était pas spécifiquement inclus dans la loi. Nul ne s'est jamais gêné pour en faire appel.

Ma seule préoccupation, messieurs,—et c'est une préoccupation purement philosophique—c'est qu'une personne qui sait que sa décision ou son avis sont souvent sujets à un appel tendra à prendre moins de responsabilités à l'égard de sa décision, et se dira peut-être: «Très bien, je vais refuser. Je ne veux pas prendre la responsabilité de cette décision. Laissons au sous-ministre ou au ministre le soin de décider.» C'est là un avis très personnel, mais je n'aimerais pas du tout voir nos employés du ministère acquiescer cette mentalité et estimer qu'ils n'ont pas besoin d'examiner la situation de trop près, puisque de toute façon quelqu'un d'autre va le faire à un niveau plus élevé. Personnellement, j'estime que l'autorité doit être déléguée vers le bas aux personnes qui ont les connaissances techniques nécessaires et sont chargées d'évaluer ces produits.

Ceci dit, je ne crois pas que l'on doive en arriver en aucune façon à la conclusion que je suis contre la procédure d'appel, car, en fait, nous la mettons en application, au moyen des règlements. Mais de façon générale, les appels que l'on trouve dans ces lois se trouvent en rapport avec une annulation; nous les trouvons dans la *Loi sur les grains canadiens*. C'est contre l'abrogation du permis. En général, l'appel prend la forme suivante: que la

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form of the Act or the regulations saying that arbitrary decisions cannot be made; that if we wish to cancel something, the man whose something is being cancelled is entitled to a hearing in the Department prior to that. In other words, he is entitled to make his case.

As I said earlier with regard to the registration of pesticides, the man makes his case to start with. It is a technical decision. It is not a judicial decision, and this is where I find some difficulty where a man has submitted a very detailed and very voluminous technical resume of the qualifications where our people—I should not say a great number, but a considerable number of departments are involved in this decision. I think one appreciates this, mainly as I mentioned this morning the Food and Drug Directorate.

Other people that are involved are the Forestry Branch of the Department of Forestry and Rural Development, the Canadian Wildlife Service of the Department of Indian Affairs and Northern Development, and the Department of Fisheries, because of possible implications of the registration of a certain pesticide to their areas of jurisdiction. I do find some difficulty, frankly, in having an appeal as opposed to a hearing.

Now, having said that, I must repeat that I personally am not against appeal procedures. We go through them every day, but I do have some, as I say, philosophical concern about it. And I would have a great deal of concern, I think, strictly from the cost standpoint of duplicating the technical aspects or the technical expertise that is found within the Department and all these other departments.

Mr. Danforth: Mr. Chairman, may I pursue this? I can certainly appreciate the position of the Department in this regard, and my desire in the clarification of this point is that I feel that I am not interested in a direct appeal against the findings of a particular laboratory or in the registration of a particular product which would, as has been pointed out, require the duplication of some very technical services. I am not particularly interested in that aspect of it.

What I am interested in, Mr. Chairman, is in the remarks that have been put out that there are appeals taking place in the normal course of the implementation of most of these acts. My point is, since there are appeals taking place, I think they should be under prescribed conditions as set out in the act. If they want to call them hearings, I am prepared to go along with the hearing aspect of it. But I feel that in this particular interest, this particular act, when we are dealing with a whole industry—two industries as a matter of fact—we are dealing with agriculture and we are

[Interprétation]

Loi ou les règlements prescrivent qu'une décision arbitraire ne peut être prise; que si nous voulons annuler quelque chose, la personne qui fait l'objet d'une annulation a droit à une audience préalable au ministère. En d'autres termes, il a droit d'être entendu.

Comme je l'ai dit plus tôt, en ce qui concerne l'enregistrement des pesticides, l'homme présente sa cause tout d'abord; il s'agit d'une décision technique et non pas, si je puis dire, une décision légale ou juridique. C'est alors que j'ai une certaine difficulté alors qu'une personne aurait présenté un résumé très technique et très détaillé et qu'un certain nombre d'hommes dans notre ministère sont impliqués ou sont en cause. D'autres intéressés appartiennent aux Forêts, à la Faune, au Nord canadien, aux Pêcheries, en raison de certaines applications de l'enregistrement de certains pesticides dans leur propre compétence. Mais je trouve un peu difficile franchement, de prévoir un appel par opposition à une audience.

Cela dit, je dois répéter que, personnellement, je ne suis pas contre la procédure d'appel. Nous en avons tous les jours, nous les voyons tous les jours. Et comme je l'ai dit, je m'en préoccupe du point de vue philosophique un peu. Et du point de vue financier, je me préoccupe beaucoup plus du double emploi de l'expertise qui se fait dans notre ministère et dans tous les autres ministères.

M. Danforth: J'apprécie certainement l'attitude du ministère à cet égard. Je la comprends très bien. Je ne suis pas particulièrement favorable à un appel direct, interjeté contre les données trouvées par un laboratoire ou dans l'enregistrement d'un produit, ce qui exigerait, comme on l'a dit, le double emploi ou le chevauchement de certains services très spécialisés. Ce n'est pas cet aspect-là qui m'intéresse.

Ce qui m'intéresse, monsieur le président, c'est tout ce que l'on a dit à l'effet qu'il y a certainement des appels qui ont lieu dans le cours normal de l'application de la plupart de ces mesures législatives. Et alors, étant donné que ces appels ont lieu, j'ai l'impression qu'ils doivent avoir lieu en raison de prescriptions dans la Loi. Si ces appels doivent avoir lieu, je suis prêt à accepter les audiences, mais non dans ce but particulier, alors que nous traitons d'une industrie ou de deux industries plutôt, l'agriculture et l'industrie des produits chimiques, lorsque nous traitons

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dealing with the chemical industry. When we are dealing with two industries, we are dealing on a seasonal aspect where time is a very vital factor. For example, a whole shipment of pesticides may be held up at a very crucial time where maybe there is only a two or three-day factor, or five or six-day factor, under the clauses of this bill as I understand them. One individual can make the primary decision which could affect two industries. Now, surely it is not asking too much to have written into this particular bill definite mechanics whereby the decision of the one individual can be reconsidered and evaluated, and either confirmed or perhaps rejected at the time.

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This, Mr. Chairman, is what I am particularly interested in. Here we have departmental regulations to which, under the bill as given to the Committee, there is no redress or appeal as such. I am not interested, as I pointed out before, in the chemical laboratory aspect of it. I am interested in the mechanics, more or less in the field.

The Chairman: Mr. Williams.

Mr. Williams: If I could say one word in respect to this once again, Mr. Chairman. I trust it will not be repetitious. In so far as registration is concerned, it is not the decision of one individual. Therefore, I believe Mr. Danforth must be referring to Clause 9 (1) and (2), the question of seizure and detention of a commodity that is on the market. I could not agree more with Mr. Danforth, that in many agricultural operations time is very much of the essence. And I think it is just for that reason that we believe that this inspector must have the right to detain it. This crop, this commodity, if it is bad or if it is dangerous or if it is hazardous, must be detained very quickly. He must have the power to do this as quickly as possible so that it does not enter use and does not destroy some farmer's crop or does not render the product of this crop unsuitable for human consumption, or something of that nature.

Now, having said that, once again he reports these detentions, and I believe that we do have a very free access to the higher people, the higher levels within the Department where these people do, if they feel there is a problem, appeal the decision of this inspector. But I do not think that we would be adverse at all to putting something in the bill that required the inspector to take action within such-and-such a time so that this commodity would not be held up, or that the person whose commodity was put under detention had the authority to have a hearing at departmental headquarters, or make a submit-

[Interpretation]

de deux industries et d'un aspect saisonnier où le temps est très important, alors que toute une livraison de pesticides pourrait être retardée à un moment très important, très critique, alors que l'emploi doit en être fait dans cinq ou six jours. En vertu de cette mesure législative, si j'ai bien compris, un seul individu pourrait prendre la décision principale qui affecterait deux industries. Assurément, ce n'est pas trop demander que d'inclure dans ce bill particulier un mécanisme définitif pour que la décision d'un particulier puisse être étudiée de nouveau et réévaluée et soit confirmée ou soit rejetée, à ce moment-là.

C'est cela, monsieur le président, qui me préoccupe le plus. Nous avons ici les règlements ministériels qui, en vertu de la Loi présentée au comité, ne comportent aucune procédure d'appel. Encore une fois, je ne m'intéresse pas à l'aspect du laboratoire, si vous le voulez, mais plutôt de ce qui se produit dans l'entreprise agricole.

Le président: M. Williams.

M. Williams: Je voudrais dire un mot à ce sujet, monsieur le président, sans trop me répéter. En ce qui concerne l'enregistrement, ce n'est pas la décision d'un seul individu. C'est pourquoi je pense que M. Danforth se réfère probablement aux paragraphes 9 (1) et 9 (2) sur la saisie, les confiscations d'un produit sur le marché. Je suis entièrement d'accord avec M. Danforth que dans de nombreuses exploitations agricoles, le temps joue un rôle essentiel. C'est d'ailleurs exactement pour cette raison que nous pensons que cet inspecteur doit avoir le droit de saisie. Cette denrée, si elle est mauvaise, si elle est dangereuse, il faut la confisquer très rapidement. Il doit avoir la possibilité de le faire aussi rapidement que possible de façon qu'il ne soit pas utilisé, qu'il ne détruise pas la récolte d'un agriculteur ou qu'il ne la rende pas inutilisable pour la consommation même.

Il fait rapport de ses confiscations et je crois que nous pouvons contacter directement le fonctionnaire supérieur du ministère et c'est là qu'on peut faire appel à la suite des décisions de l'inspecteur si on le juge bon. Mais je ne crois pas que nous nous opposions de quelque façon que ce soit à prévoir une disposition de la Loi exigeant que l'inspecteur agisse dans un certain délai de façon que la denrée ne soit pas retardée ou que la personne dont la denrée a été confisquée, ait la possibilité d'être entendue au bureau central du ministère ou ailleurs. Je ne m'y oppose pas du tout.

[Texte]

sion on this matter. I do not find any particular difficulty with this type of approach.

Mr. Peters: Is Mr. Danforth making reference to this clause or is it to the other clause. Because I remember at the last sitting, Mr. Danforth raised the question about a particular commodity. There was a long delay taking place in the registration of this, and there was considerable difference of opinion between experts as to whether or not it should be registered, whether the commodity should be registered. The appeals to that would be totally different appeals than the appeals to Clause 9. I ask this for clarification, because if we are discussing the reluctance by inspectors and departmental officials to recognize a newly developed product, I think that kind of appeal would be totally different from an appeal to a seizure by an inspector. I would like to know which we are talking about.

Mr. Danforth: Mr. Chairman, I am dealing at present with the latter and it brought up by the matter of appeal. I think under the former there is recourse and I am delighted to have the witness state that the department would find no great difficulty in entertaining, perhaps, an objective of this Committee to have the mechanics set out. This is brought up particularly by the information elicited at the last hearing.

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It seemed that if an inspector is proven to be wrong, normally there is no redress for any loss of sales over a period of a week, or any crop loss that may be caused by the actions of an inspector which are taken with the very best of intent for the protection of the farmers. This is why I am particularly interested, because the onus is on the government. The governmental department has to take the responsibility and there is no redress as far as the company is concerned under direct legal action. This is why I am very interested in having this particular point cleared up.

Mr. Williams: Mr. Chairman, I would like to ask a question. I was not present at the meetings on Tuesday. I was just wondering if the trade had documented in any way, shape or form where their operations had been impaired by, shall I say, arbitrary action on the part of either the Department or any of its inspectors and whether they felt that they should be entitled to compensation if, for example, our man put something under detention because of suspicion and later released it.

[Interprétation]

M. Peters: Est-ce que la question de M. Danforth s'adresse, se rapporte à cet article ou à un autre article? M. Danforth nous parle du cas où certaines denrées particulières sont retardées, sont bloquées en ce qui concerne l'enregistrement. Les experts n'étaient pas tous d'accord, il y avait une grande variété d'opinions en ce qui concerne l'enregistrement. L'appel au sujet d'un enregistrement serait un appel tout à fait différent de celui de l'article 9. Il s'agit d'un autre titre d'appel. Je voudrais avoir cet éclaircissement, car nous discutons les hésitations qu'ont les inspecteurs ou les fonctionnaires du ministère à admettre que c'est un nouveau produit. L'appel que l'on fait à ce sujet serait tout à fait différent de ceux qu'on peut faire à la suite de la saisie d'un produit. J'aimerais savoir de quel appel nous parlons.

M. Danforth: Monsieur le président, je parle de ce dernier cas. Je suis très heureux d'entendre le témoin dire qu'il ne serait pas très difficile pour le ministère de s'occuper des dispositions permettant d'arriver à cela. Cela se rapporte à ce qui a été dit lors de la dernière séance.

Si un inspecteur se trompe, si on prouve qu'il s'est trompé, normalement il n'y a pas de compensation pour les pertes de ventes d'une semaine ou les pertes de récoltes pouvant découler de mesures prises par un inspecteur, mesures prises dans les meilleures intentions du monde pour protéger l'agriculteur. C'est pourquoi cette question m'intéresse tout particulièrement. En fait, c'est au gouvernement d'accepter la responsabilité. C'est au ministère d'accepter la responsabilité et il n'y a pas de compensation en ce qui concerne la société, à la suite de poursuites judiciaires. C'est pourquoi je voudrais que ce point particulier soit éclairci.

M. Williams: Monsieur le président, je voudrais poser une question. Je n'ai pas assisté à la séance de mardi. Est-ce qu'il y a eu des cas où l'exploitation a été perturbée par des décisions arbitraires du ministère ou des inspecteurs. En supposant, par exemple, que l'on ait bloqué un produit qui ensuite a été débloqué?

[Text]

The Chairman: I think I would be at liberty to report here that my view is that there was no criticism. They did not indicate that there had been any hardship; there had been complete co-operation and satisfaction, but they were a little bit concerned about what might happen in the future. Is that a fair expression of their feelings?

Mr. Horner: Yes. They said that in the past, though, that a number of products had been "red labelled", to use the expression. I think one manufacturer said that in two cases in the past five years, there had been—

Mr. Williams: Oh, yes; we have put products under detention. I am not arguing about that at all. I was just wondering whether they did feel that they had a claim against the government where our people put things under detention and later released them.

Mr. Horner: They did not have a claim, but they did want the right to appeal the decision your Department makes, not under Clause 5, but Clause 9.

Mr. Peters: That is the point I tried to make in my question to Mr. Danforth. It is not under Clause 5. Their appeal was to the judicial sections in Clause 9 and I think that is a different kind of appeal. The question that Mr. Danforth raised the other day and that Mr. Williams answered was concerning a specific problem that had been detained in the finalizing of a decision for five years over a new chemical. I think the Committee would like to know whether Mr. Danforth is interested in moving an amendment to provide for appeal in this clause for that kind of decision?

The Chairman: The Chair has not received notice of any amendment under this clause. I do have two or three names; we are anxious to make a little progress. I have Mr. Douglas, Mr. Barrett and Mr. Thomson to be recognized.

Mr. Southam: Mr. Chairman, I have a supplementary to the question just put by Mr. Williams with respect to the witnesses at the last meeting on Tuesday. On this topic of compensation for the trade in case of a decision detrimental to them they said that they were interested in the appeal factor, but they had not made any claim for compensation in case of a wrong decision and they did not have any such intention; that was not in their minds at all. That is just to clarify the question Mr. Williams posed.

The Chairman: Thank you, Mr. Southam. Mr. Douglas?

[Interpretation]

Le président: D'après moi, il n'y a pas eu de critique. Ils n'ont pas dit qu'ils avaient eu des difficultés, mais simplement qu'ils éprouvaient certaines inquiétudes quant à l'avenir. C'est bien cela?

M. Horner: Oui, car un certain nombre de produits ont été étiquetés «en rouge» pour reprendre l'expression consacrée. Un fabricant a dit qu'à deux reprises, ces cinq dernières années...

M. Williams: Je ne parle pas de la confiscation. Je voulais savoir si ces gens pensaient qu'ils pouvaient se plaindre du gouvernement à la suite de mesures prises à la suite de confiscations débloquées par la suite.

M. Horner: Ils ne se plaignaient pas, mais ils voulaient avoir la possibilité de faire appel, pas en vertu de l'article 5, mais en vertu de l'article 9.

M. Peters: Il ne s'agit pas de l'article 5. L'appel sera porté aux dispositions juridiques de l'article 9. C'est un appel tout à fait différent. La question qu'a soulevée M. Danforth et à laquelle a répondu M. Williams se rapporte au problème particulier de la confiscation et de la décision définitive, après cinq ans, en ce qui concerne un nouveau produit chimique. Je pense que le Comité voudrait savoir si M. Danforth est intéressé à proposer une modification prévoyant un appel, dans cet article, à la suite de ce genre de décision.

Le président: La présidence n'a reçu aucun préavis de modification pour cet article. J'ai deux ou trois noms; je voudrais que nous avançons. J'ai M. Douglas, M. Barrett et M. Thomson.

M. Southam: J'ai une question supplémentaire à poser à la suite de la question de M. Williams au sujet des témoins de mardi dernier. Ces gens nous ont dit qu'ils s'intéressaient au facteur appel, mais qu'ils ne voulaient pas de compensation à la suite de décisions erronées et qu'ils n'avaient pas l'intention d'en demander.

Le président: Merci, monsieur Southam. Monsieur Douglas?

[Texte]

Mr. Douglas: I do not know whether this is the proper time to bring this up or not, Mr. Chairman, but there is a problem with a chemical in Western Canada and, I suppose, in all of Canada. It is the wild oat chemical Avadex and some fears have been expressed that it is going to be scarce again this year. I understand one company only has the right to manufacture this. Is it Monsanto? How long does one company retain the exclusive right to manufacture a chemical like this and what are the prospects for a supply of this chemical this year?

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The Chairman: Mr. Jefferson will provide this information.

Mr. Jefferson: Mr. Chairman, Monsanto is the manufacturer of the Avadex formulations. I believe there are two different formulations. If I recall correctly the product came on the market about eight years ago, 1960 I believe. I do not know how long their patent protection lasts. The figure of 17 years runs in my mind, but this is a matter which is quite outside the scope of our activities.

With respect to the shortage, I think this product is in worldwide demand and it is only manufactured, I believe, at one point and that is St. Louis, Missouri. There is only one manufacturing plant and the company has not been able to keep up with the demand.

There is an alternative product made by Union Carbide, but the method of application is different. One is a preplant and one is a post emergence product.

The Chairman: Mr. Barrett, do you have a question?

Mr. Barrett: Mr. Chairman, I would like to make a comment on a point that was touched on by Mr. Douglas. I think some of the people here are at a loss to a degree to understand how a product gets on the market in the first instance. I happen to be affiliated with a company that had several by-products, not necessarily in this particular field, but by-products nevertheless. Long, long before these are put on the market they have their research people; they have their marketing people; they have all the facilities to look into the situation, and they are dealing with government long before they start to produce these particular products. They know all the problems that exist.

Therefore, I do not think this is strange to any particular chemical group, or any other group, that is in the market in Canada. There

[Interprétation]

M. Douglas: Je ne sais pas si c'est le moment de poser cette question, monsieur le président. Il y a un problème en ce qui concerne les produits chimiques dans l'Ouest et dans tout le Canada. Il s'agit de l'avadex. Il est possible qu'il y ait pénurie une fois de plus cette année. Une compagnie seulement a le droit de fabriquer ce produit. Il s'agit de la compagnie Monsanto? Combien de temps est-ce qu'une compagnie conserve le droit d'être la seule à fabriquer un produit comme celui-ci et quelles sont les possibilités d'approvisionnement de ce produit cette année?

Le président: M. Jefferson vous répondra.

M. Jefferson: Monsieur le président, Monsanto est le fabricant de la formule «avadox». Je crois qu'il y a deux formules différentes. Le produit, je crois, a été lancé sur le marché il y a environ huit ans, en 1960, je crois. Je ne sais pas combien de temps dure la protection que leur donne le brevet. Je crois qu'il s'agit de dix-sept ans, mais c'est une question qui est tout à fait en dehors du cadre de nos activités.

En ce qui concerne la pénurie, ce produit est demandé dans le monde entier. Je crois qu'il est fabriqué à un seul endroit, à Saint-Louis, Missouri. Il y a une seule usine de fabrication et la compagnie n'a pas réussi à satisfaire la demande.

Il y a un autre produit fabriqué par Union Carbide, mais la méthode d'application est différente. L'un est utilisé avant que l'on plante et l'autre après.

Le président: Monsieur Barrett, vous avez une question?

M. Barrett: Monsieur le président, je voudrais faire un commentaire sur une question que M. Douglas a abordée. Je crois que certains membres du Comité sont un peu perdus. Ils se demandent comment un produit est lancé sur le marché pour la première fois. Parfois, ils viennent de compagnies qui ont des sous-produits d'une autre catégorie et, longtemps avant la fabrication et la commercialisation, les chercheurs et les gens du marketing examinent la situation et le gouvernement peut examiner lui aussi le produit.

Donc, ce n'est pas particulier à un groupe chimique qui se trouve au Canada ou à d'autres groupes qui se trouvent au Canada. Je

[Text]

is also the patent process that was suggested a moment ago. They involve themselves in all these areas. I really think they were overdramatic when they appeared before us last week; I can only feel that they were overdramatic. There is no reason to assume as they began with government that they cannot live with government. This is the feeling I have in relation to this particular Bill.

The Chairman: Thank you, Mr. Barrett. Mr. Thomson?

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, in relation to something that has been said, as I understood the companies' desire for appeal the other day they said it was a matter of time and urgency. For example, as you know the spraying season is a short one and they may have a whole year's supply of spray tied up for a year and the emphasis, as I understood it, was on their desire for appeal as the matter really was a problem at time.

If—and I say "if" as I understood them—there was a problem, if something was red tagged, they should be able to appeal quickly so that if nothing was wrong with the product they could put it on the market that season, rather than carry it over for another year.

In dealing with any proposed amendment I think this is where they desired the emphasis to be placed, at least as I understood it.

The Chairman: Is there a comment?

Mr. Williams: Well, only this: I suppose it is somewhat repetitious, but certainly under Clause 9 (2)—and as I mentioned earlier I believe that the inspector must have this authority to act immediately for exactly the same reasons as the Chemical Association put forward the need to have decisions on the matter quickly if it is detained for reasons the inspector will release it the next day if its problem is corrected.

So far as appeals I will guarantee everyone in this room—or any other room, I suppose—that any time any sizable quantity of product is put under detention about which the company itself has no reservations, a telegram will be on my desk that day, or on the Minister's desk that very same day. Therefore, when we are speaking on appeals, the appeal procedure, I can assure you, is extremely rapid.

When we do not hear about it is when the company itself may have some reservations about the product. But certainly, as I said before, there are no reservations that I know

[Interpretation]

pense que lorsqu'ils attaquent un certain domaine, il y a la question de l'achat du brevet. Tous ces domaines sont examinés et je crois que ces gens ont été beaucoup trop pessimistes lorsqu'ils sont venus ici. Ils disent qu'ils ne peuvent pas supporter les exigences du gouvernement; je ne crois pas que ce soit exact.

Le président: Merci, monsieur Barrett. Monsieur Thomson?

M. Thomson (Battleford-Kindersley): Des compagnies, l'autre jour, ont demandé le droit d'appel. Elles ont dit que c'était une question de temps et d'urgence. Comme vous le savez, la saison de pulvérisation est courte et parfois un stock pour une année entière peut être bloqué pendant un an. Ils souhaitent pouvoir faire appel très rapidement. S'il y a une difficulté, si le produit est étiqueté en rouge, ils veulent pouvoir agir rapidement de façon à pouvoir vendre le produit sur le marché cette année-là au lieu d'attendre un an. En ce qui concerne les projets de modification, pour eux, le plus important, c'est le facteur temps. C'est comme ça que je l'ai compris du moins.

Le président: Quelqu'un a-t-il des observations à faire là-dessus?

M. Williams: Peut-être que je me répète, mais, en vertu du paragraphe 2 de l'article 9, si un produit est confisqué pour une certaine raison, l'inspecteur doit avoir l'autorisation d'agir immédiatement pour exactement les mêmes raisons que l'Association des fabricants de produits chimiques a demandé qu'on agisse rapidement. Si le produit n'est pas défectueux, l'inspecteur le libère le lendemain.

En ce qui concerne les appels, je peux garantir à tous, ici ou ailleurs, que toutes les fois qu'une quantité importante d'un produit est confisquée alors que la compagnie n'a aucune réserve au sujet de ce produit, je reçois un télégramme le jour même, ou le ministre reçoit un télégramme le jour même. Donc la procédure d'appel est très rapide.

Lorsque nous n'en entendons pas parler, c'est que la compagnie elle-même a quelques réserves quant à ce produit. Comme je l'ai dit avant, les compagnies n'hésitent nullement à

[Texte]

of on the part of any company to appeal to any level within the Department if it considers that it has an excellent case.

Mr. Thomson (Battleford-Kindersley): A supplementary question, Mr. Chairman. In the case of Mr. Williams and the Department officials at the moment I do not think we have any complaint. I think they are probably very fair, but speaking generally would you care to comment on whether it should be a regulation or whether it should be written in the act? Would this be a fair question? We are not complaining about you, but tomorrow it could be someone else that we might have reason to complain about.

Mr. Williams: All I can say in that case is that if this is the problem, if this is a real problem—and there have been many ministers and many deputy ministers since this Act was written—it would seem to me that the industry should have been able to document the fact that it was a problem. But if it may be a problem, the only recourse is for appeal outside the Department. I am talking now about a formal appeal within this. That, in my view, is highly impractical. They would have to be able to document the fact that they have been hurt in the past. As I say, this Act has been in effect for a great length of time under a great number of people.

The Chairman: Mr. Barrett.

Mr. Barrett: I am just going to ask one question for my own information, if I may, Mr. Chairman. Was the tagging of these items due to a control process breaking down within a manufacturing plant, or was it a case of a new product put out without, shall we say, proper agreement with the government in the first instance as to whether this product was reasonable or acceptable? Was it just a control process that broke down within that organization, within that factory?

Mr. Williams: I do not think I could detail all the reasons why various commodities have been detained. I suppose probably the most common reason for detention is incorrect labelling. Mr. Jefferson or Mr. Houghton might wish to comment on this matter. Certainly I do not believe that it is because people are trying to sell a product that is not registered.

Mr. Jefferson: Mr. Chairman, perhaps the most significant reason for detention is in the area of labelling, as Mr. Williams has mentioned; where the product has been found on analysis to be way off specifications that are inherent in the labelling. For clarification, there are two areas of concern. One is the

[Interprétation]

faire appel au Ministère, si elles considèrent qu'elles ont une bonne cause.

M. Thomson (Battleford-Kindersley): Dans le cas de M. Williams et des fonctionnaire du ministère, je n'ai pas à me plaindre d'eux. Pensez-vous pouvoir nous dire pour quelles raisons cela devrait plutôt figurer dans le règlement plutôt que dans la Loi?

Nous ne nous plaignons pas de vous mais il y en aurait peut-être d'autres plus tard au sujet desquels nous aurions raison de nous plaindre.

M. Williams: Tout ce que je peux dire dans ce cas, si tel est le problème, que ce problème est réel. De nombreux ministres et sous-ministres ont passé depuis que la loi a été rédigée. J'espère qu'on pourra prouver que c'était un véritable problème. S'il y a vraiment des difficultés, le seul recours est de faire appel en dehors du ministère. Je pense à un appel selon les formes qui, à mon avis, n'est pas pratique du tout, s'il n'est pas prouvé qu'il y a vraiment un problème car, comme je l'ai déjà dit, cette Loi est appliquée depuis très longtemps et par beaucoup de gens.

Le président: Monsieur Barrett.

M. Barrett: Je voudrais poser une question pour ma propre gouverne, si vous m'y autorisez, monsieur le président, lorsqu'il y a eu saisie, est-ce qu'il s'agissait de produits nouveaux, de produits qui ont été mal fabriqués à la suite des difficultés dans une usine, ou bien d'un contrôle de fabrication dans une usine.

M. Williams: Je ne crois pas pouvoir vous donner toutes les réponses pour lesquelles il y a eu saisie. Je pense que la raison la plus courante des confiscations est un mauvais étiquetage. M. Jefferson ou M. Houghton pourraient peut-être nous parler de cette question. Mais je ne crois pas que c'est parce que des gens essaient de vendre un produit qui n'est pas enregistré.

M. Jefferson: Monsieur le président, la raison la plus courante des confiscations est la question de l'étiquetage, mais comme l'a indiqué M. Williams, parfois le produit n'est pas du tout conforme aux caractéristiques prévues sur l'étiquette. Si vous me permettez de revenir à un autre domaine, Monsieur le pré-

[Text]

action of an inspector in detaining a product which has been registered and which is on the market for sale and for purchase. This is where the red tagging takes place. The other area of concern to industry is in the delays that do occur in processing an application for registration.

A few statistics might help clarify the logistics of this situation. Since 1960 they have presented for registration and have had registered 95 new chemicals. These are new, discrete chemicals. The total number of new products in 1968 was 315. The number of new chemicals like barabane in Avedex—have I got the right common name?—ranges from 7 in one year to 17 in another year. The average cost of research is probably not less than \$2 million per product, so here in a period of eight years we have had to process something well over \$200 million worth of research and data. If the number of new products were to increase, to double this incidence and we were not able to anticipate it, then there would be a delay in the processing of that product and the trade naturally would be concerned at that kind of delay.

● 1115

The Chairman: A clarification for the record, Mr. Jefferson. You said \$200 million. Did you mean that, or was it \$2 million?

Mr. Jefferson: I meant \$200 million; over this period of eight years, roughly 95 new products at about a minimum of \$2 million per product.

Mr. Horner: By the industry?

Mr. Jefferson: By the industry but also by governments and by private research institutions.

The Chairman: Mr. Williams has a comment.

Mr. Williams: I think it might help clarify the situation if I explained very briefly the procedures that are followed in this kind of inspection. Our inspectors under this Act do not simply go into a place where this product is being sold, stored or held and say to the fellow, "This does not look very good, I am going to put it under detention." They go in and take samples, send them to a laboratory where the samples are tested, and the results go back through a district supervisor to the inspector; then he issues a detention certificate. He is required to specify in the certificate the reasons why he put it under detention, among many other things. He puts these

[Interpretation]

sident, pour éclaircir la situation, certains produits ont été enregistrés, ils sont sur le marché et ils ont été vendus, c'est alors que l'inspecteur peut y mettre une étiquette rouge. Il y a un autre domaine qui préoccupe l'industrie. Il s'agit des retards en matière d'enregistrement pour la fabrication.

Je peux vous donner des exemples en ce qui concerne cette situation. Depuis 1960, on a soumis pour enregistrement, et on a enregistré quatre-vingt-quinze produits chimiques, il s'agit de nouveaux produits chimiques. Le nombre de nouveaux produits en tout, en 1960, était de trois cents quinze. Le nombre de nouveaux produits chimiques comme barabane ou avadex, s'échelonnait entre sept en une année et dix-sept une autre année. La moyenne des frais de recherches n'est certainement pas inférieure à deux millions de dollars par produit, donc sur huit ans, nous avons dû faire des examens au coût de plus de deux cent millions de dollars pour les recherches et les données. Si le nombre de nouveaux produits double et que nous ne puissions pas prendre les devants il y aurait alors un retard dans la fabrication de ce produit et l'industrie, évidemment, pourrait s'inquiéter de ces retards.

Le président: Éclaircissements, monsieur Jefferson, deux cent millions de dollars ou deux millions?

M. Jefferson: Je voulais dire deux cents millions sur huit ans, à peu près quatre-vingt-quinze nouveaux produits à environ deux millions de dollars par produit.

M. Horner: Par l'industrie?

M. Jefferson: Par l'industrie, par l'État et par les institutions de recherches privées.

Le président: M. Williams a un commentaire.

M. Williams: Je pense qu'il serait bon que j'éclaircisse la situation pour les députés et que j'explique quelle est la procédure suivie pour ce genre d'inspection. Nos inspecteurs, dans l'application de la Loi, ne se contentent pas d'aller à un endroit où le produit est fabriqué, stocké et déclarent: «Ce produit n'a pas l'air très bon et je veux le confisquer». Je parle évidemment de gens qui ont travaillé dans des laboratoires, de gens qui ont évalué les résultats et qui alors sont adressés aux supérieurs du district qui envoient un inspecteur, qui rédige un certificat de confiscation. Dans ce certificat, il doit préciser les raisons pour lesquelles le produit est confisqué, il fixe

[Texte]

tags on it and this operation in fact prohibits the man from moving or selling this product.

When I said the most common reason for detention was incorrect labelling, I really meant that the most common cause of detention, without this chemical analysis, was when it was obvious to the inspector that a product was incorrectly labelled. I do not know of examples of it, but it is quite a formal procedure. It is not something that the man does because his wife did not kiss him good-bye that morning and he is in a bad temper.

Mr. Barrett: If that is all she did not do, he was very lucky.

Mr. Gleave: In the amount of \$200 million for research, are there any figures available as to what percentage of this is industry research and what percentage is government or National Research Council?

Mr. Jefferson: Mr. Chairman, the figure is very much a ball-park figure and the \$2 million is an industry figure. The cost of researching a new pesticide ranges from \$1 million to \$8 million. I may not have been entirely accurate in saying that it included some government research. It could include work done by government agencies on behalf of a manufacturer, and not necessarily in Canada but in the United States, the United Kingdom, Europe or wherever that product happened to have originated.

Mr. Gleave: I suppose some of it could be basic research—I think the term is pure research—which actually released information on which the companies would then go to work.

Mr. Horner: On the question of research and registration of products, can you assure the Committee that through undue restrictive registration of the products and now of the plants the competitive factor within the industry will not be limited.

• 1120

The Chairman: Mr. Williams.

Mr. Williams: For what my assurance is worth, Mr. Chairman, I can assure you that it is not the intent of this legislation to in any way, shape or form, inhibit competition within the industry.

[Interprétation]

cette étiquette sur le produit et cela interdit à quiconque de transporter ou de vendre le produit.

Je dis que la raison principale de confiscation était l'étiquetage défectueux, je voulais dire que la cause la plus courante de confiscation, en dehors de l'analyse chimique, était le mauvais étiquetage. Je ne peux pas vous en donner des exemples, car c'est une procédure assez complexe. Ce n'est pas fait à cause de la mauvaise humeur de l'inspecteur.

M. Barrett: Bon!

M. Gleave: En ce qui concerne les frais de recherches de deux cent millions de dollars, y a-t-il des chiffres au sujet du pourcentage représenté par la recherche dans l'industrie? Quel pourcentage est représenté par l'État et par le Conseil national de recherches.

M. Jefferson: Monsieur le président, le chiffre est difficile à préciser. Les deux millions sont un chiffre moyen, pour le secteur industriel c'est entre un et huit millions disons. Voilà une approximation des frais de recherches pour un nouveau produit anti-parasitaire.

J'ai dit que cela comportait des recherches faites par l'État, cela n'est pas toujours très exact; cela peut comprendre des travaux faits par des organismes de l'État, un fabricant; et pas nécessairement au Canada. Ces recherches peuvent être faites au Royaume-Uni, aux États-Unis ou ailleurs lorsque ce produit vient de l'étranger.

M. Gleave: Dans certains cas il s'agit de recherches fondamentales ou de recherches pures qui permettent d'obtenir des données, qui servent de base au travail, je suppose?

M. Horner: En ce qui concerne la recherche et l'enregistrement, pouvez-vous nous assurer qu'en raison de restrictions inacceptables de l'enregistrement des produits, puis des usines, que cela ne limitera pas la concurrence?

Le président: Monsieur Williams.

M. Williams: Croyez-moi, je peux vous dire que ce n'est pas l'intention de cette mesure législative de limiter d'une façon ou d'une autre la concurrence dans l'industrie.

[Text]

Mr. Horner: Take for example Avadex: when it first came out it sold at a high price and a limited amount was sold. I think it is a logical assumption now to believe that with volume manufacturing it is cheaper. With the volume that is now manufactured and sold I think farmers generally tend to believe that the price should be moving downward, but, instead of that, in fact it may be even moved up when it should not have changed at all. Why is this? Is there not enough competition in the industry?

Mr. Williams: I suppose that the answer here in this particular commodity list must lie in the statement that Mr. Douglas made, namely, that this is a patented product and that the competitive product probably is not as highly regarded, by some at least, as is this product.

Mr. Horner: This is what I was leading up to. In your licensing of plants and in your registration of products, are you certain that you have not in any way lessened competition? For example, you stated Avadex was a patented product. You do not in any way pass on or make public the formulas of the products that you inspect or register.

Mr. Williams: No, we do not.

Mr. Horner: In fact, it is against the regulations to pass on formulas.

Mr. Williams: I think the only answer that I can give to this question really is this: if the active ingredient of any pesticide is not patented, there is no reason why a hundred people cannot register a pesticide containing that particular active ingredient; that is, there is no reason under our act. The act is a completely different act.

Mr. Horner: Can a patent remain in effect for a given product only for a certain length of time?

Mr. Williams: I am afraid, Mr. Chairman, I am not in a position to answer that question. We can get that information for the Committee, but I think it is covered by another act. Mr. Jefferson suggests 17 years, but I think it depends very much on the commodities. We can get that information easily.

The Chairman: Thank you, Mr. Horner. I recognize Mr. Cobbe, then Mr. Moore and Mr. Danforth.

[Interpretation]

M. Horner: Prenons, par exemple, le cas de «Avadex». Lorsque ce médicament est sorti pour la première fois sur le marché, il se vendait cher et on en a peu vendu. Maintenant, je crois qu'il est logique de supposer que lorsqu'on le fabriquera en grande série, son prix baissera. Depuis qu'il est fabriqué en grande série et vendu en grandes quantités, les agriculteurs pourraient croire que le prix devrait descendre. En dépit de cela, le prix n'a pas changé et risque même de monter. Il n'y a pas eu de changement. Comment cela se fait-il? Est-ce qu'il n'y a pas suffisamment de concurrence dans l'industrie pour obliger cette évolution?

M. Williams: La réponse en ce qui concerne cette denrée particulière confirme ce qu'a dit M. Williams. C'est un produit breveté et le produit n'est pas considéré comme ayant de concurrent capable d'obtenir la même estime.

M. Horner: Je voulais en arriver là. Lorsque vous enregistrez les usines, lorsque vous enregistrez les produits, êtes-vous certains que vous n'avez pas réduit la concurrence?

Vous avez dit, par exemple, qu'«Avadex» était un produit breveté. Vous ne dévoilez pas les formules des produits que vous enregistrez.

M. Williams: Non, nous ne le faisons pas.

M. Horner: En fait, c'est contraire aux règlements que de le faire.

M. Williams: Je ne peux donner qu'une seule réponse à cette question. Si les ingrédients actifs de tous produits antiparasitaires ne sont pas brevetés, il n'y a pas de raison pour que cent personnes n'enregistrent pas cent produits ayant la même formule. Il n'y a aucune raison à l'application de notre loi. Notre projet de loi ne s'occupe pas de ces cas-là.

M. Horner: Est-ce qu'il y a un nombre maximum d'années d'application pour un brevet?

M. Williams: Je ne peux pas répondre à cette question. Il s'agit de l'application d'une autre loi. M. Jefferson a dit qu'il s'agissait de dix-sept ans. Cela dépend de la denrée, mais nous pourrions certainement vous fournir les renseignements plus tard.

Le président: Merci, monsieur Horner. Je passe la parole à M. Cobbe, puis à M. Moore, et à M. Danforth.

[Texte]

Mr. Cobbe: Mr. Chairman, it would appear that maybe the appeal should be under Clause 9 rather than Clause 2, but there is one matter on the appeal which concerns me, and the witnesses we had last week seemed to be more concerned with time delay than they were with anything else in bringing an appeal so as to get their product on the market. From what I have experienced in connection with the preparation of a resolution for appeal, we will have to establish all the regulations which would apply under the appeal. By the time we establish that, I can see where the process of an appeal is going to be much slower than it is under the present regulations, because if you have to abide by the regulations of the appeal you are going to have to follow the regulations and it is going to slow down the operation. I see a direct appeal here resulting in a slow-down in the industry.

Mr. Horner: The industry would not have to slow down.

The Chairman: I recognize Mr. Moore (Wetaskiwin).

Mr. Moore (Wetaskiwin): Mr. Chairman, in the case of a farmer using a product that either fails to do what it is advertised to do, or that proves to be harmful, what recourse has he?

• 1125

Mr. Williams: I suppose the member is asking for a legal opinion as to what it is. I think the only part of that I would be in a position to answer is that that was covered under our compensation act which this Committee has already considered, namely, if it was harmful to the farmer. If it was a registered commodity, used in accordance with directions, and was harmful in that it resulted in damage to the farmer because of lack of markets for his crop, or impaired his ability to market that crop, he could be entitled to compensation and the Minister could pay compensation to him for the loss of ability to market the crops, and the Minister could take recourse against the manufacturer or he could require the farmer to take recourse against the manufacturer.

Mr. Moore (Wetaskiwin): Thank you.

The Chairman: Mr. Danforth has a question.

Mr. Danforth: Mr. Chairman, I have a question which I think comes under this clause. It may appear to be hypothetical, but it is something that could happen, especially as chemicals get more complex in their basic

[Interprétation]

M. Cobbe: Monsieur le président, il semble que la clause d'appel devrait figurer à l'article 9 plutôt qu'à l'article 2. J'ai un commentaire à faire au sujet de l'appel. Les témoins que nous avons eus la semaine dernière semblaient plus intéressés au retard qu'au droit d'appel, c'est-à-dire de la mise en marché des produits. D'après cela, si nous voulons prévoir la préparation d'une résolution en matière d'appel, il faudrait établir tous les règlements concernant cet appel. Jusqu'à ce que nous ayons fait cela, le processus d'appel sera très ralenti comparé à l'application du règlement actuel car si on doit respecter un règlement, il faudra le suivre de près. Cela ralentira la procédure.

M. Horner: L'industrie n'en souffrira pas.

Le président: Monsieur Moore.

M. Moore: Dans le cas d'un agriculteur qui se sert d'un produit qui n'agit pas selon les effets promis par la réclame, quels sont les recours?

M. Williams: Le membre du comité me demande une opinion juridique au sujet de cette situation. Je ne peux répondre que d'une seule façon.

Ce cas est couvert par la Loi sur l'indemnisation qui a déjà été étudiée par le comité. Si le produit est enregistré et qu'il est utilisé selon le mode d'emploi et qu'il en résulte un effet nuisible qui entraîne des pertes pour l'agriculteur pour des raisons de mévente de sa récolte, ou de vente moins profitable, il pourra avoir droit à des dommages et le ministre pourrait lui verser une indemnité pour la mévente de sa récolte, ensuite le ministre pourrait poursuivre le fabricant, ou demander à l'agriculteur de poursuivre le fabricant.

M. Moore (Wetaskiwin): Merci.

Le président: M. Danforth a une question à poser.

M. Danforth: Monsieur le président, j'ai une question concernant l'application de cet article. C'est peut-être une question qui peut sembler hypothétique, mais c'est quelque chose qui pourrait se produire tout particuliè-

[Text]

constitution. This is the clause that sets out the regulations by Governor in Council. I was very interested in the information given on a previous bill that the qualitative or quantitative analysis procedure is becoming more and more able to detect the effects of prescribed chemical.

My point is this: what happens if it is found by a laboratory analysis that residue which had previously escaped detection or other factor is present in a registered widely used pesticide, that would in essence create a problem in food consumption or for the primary producers?

Firstly, does the Department then cancel the registration immediately of such a product? Secondly, even though it is the beginning of a season when this product would normally be used and a chemical company has large amounts on hand, what is the procedure for keeping it off the market? Thirdly, is there any compensation or redress by the company, other than legal action, if the Department takes such measures?

Mr. Williams: I suppose, Mr. Chairman, the answer to the first part of the question, as to what action the Department would take, would depend to a very great extent on the significance of this newly-discovered contamination.

I would hope, at least, that the first action the Department would take would be immediate consultation with the manufacturer to see if the offending ingredient could, in fact, be removed, or through some dilution procedure or something of this nature its effects mitigated. If this was not satisfactory, I would think—and once again I am saying this depends upon the seriousness of the whole thing—that the action the Department would take would be to cancel registration until the problem was solved.

In so far as recourse on the part of the manufacturer is concerned there is no agricultural legislation under which he is entitled to anything from the government because of that action.

Mr. Danforth: It would have to be a civil action.

Mr. Williams: I would say yes.

Mr. Danforth: A supplementary question. If, as pointed out by the witness, this was

[Interpretation]

rement parce que la formule des produits chimiques devient particulièrement complexe. C'est au sujet de la clause qui permet au gouverneur en conseil de fixer les règlements. J'ai été très intéressé par les renseignements qui ont été donnés au sujet d'un autre bill d'après lesquels les procédures d'analyse quantitative et qualitative permettent de mieux en mieux déceler les résultats de l'utilisation de certains produits chimiques.

Ma question est la suivante. Qu'est-ce qui se passe si, à la suite d'une analyse de laboratoire, on constate qu'un résidu qui avait auparavant échappé à la détection ou qu'un autre facteur existant dans un produit antiparasitaire enregistré et largement utilisé, soulève en fait des problèmes quant à l'utilisation des produits dans l'alimentation ou pour la production d'aliments?

Premièrement, est-ce que le ministère annule l'enregistrement de ce produit immédiatement? Deuxièmement, si l'on est au début d'une saison où ce produit est utilisé normalement et où la compagnie en possède de larges stocks, quelle est la procédure qui interdira la mise en marché? Troisièmement, si le gouvernement prend de telles mesures, autres que légales, la compagnie sera-t-elle tenue de verser des indemnités?

M. Williams: La réponse à la première partie de la question est la suivante: En ce qui concerne les dispositions que prendra le ministère, cela dépendra dans une très large mesure de la signification de la découverte de cette contamination. La première mesure, je l'espère, serait d'entrer immédiatement en rapport avec le fabricant pour voir si l'ingrédient dangereux peut être supprimé ou si l'on pouvait mitiger ses effets néfastes. Si cela ne suffisait pas, je pense, une fois de plus cela dépend de la gravité du problème, je crois que le ministère annulerait l'enregistrement jusqu'au moment où le problème serait résolu, en ce qui concerne les recours du fabricant. Il n'y a pas de lois agricoles qui lui permettent d'obtenir quoi que ce soit du gouvernement à la suite de cela.

M. Danforth: Je pense qu'il devrait entamer des poursuites juridiques.

M. Williams: En effet.

M. Danforth: Une question supplémentaire. Si on considère que ce problème est grave,

[Texte]

deemed to be a very serious factor, would the Department then immediately put under tag all available supplies of such a chemical?

Mr. Williams: I beg your pardon.

The Chairman: Put it under tag.

Mr. Danforth: Would the normal course of action be to put under detention all the available supplies of such a chemical?

Mr. Williams: Yes, we would immediately withdraw registration and would notify our inspectors in the field that all product in the field was to be put under detention.

Mr. Danforth: Is there provision under this particular Clause to make such action possible in regard to cancellation of a registered product?

Mr. Williams: Yes. Under this act?

Mr. Danforth: Yes.

Mr. Williams: Yes, we can withdraw registration. I might say that when we speak of this question of compensation, whether the government should or should not pay compensation to such a firm, I would think that most firms would be extremely grateful to us, because once this fact became known I would think that the commercial claims against them, if this product went out, would be extremely serious.

• 1130

Mr. Danforth: The point that bothers me, Mr. Chairman, in this particular instance is the fact that under the provisions of this Act we have a registered product registered by government from a registered and controlled environment being put on the market under regulations laid down by the government. Then if subsequent action by the government takes this product off the market I am just wondering what the position of the government would be in an action of this kind.

Mr. Williams: While I said the government would take it off the market, I strongly suspect that action would not be necessary by the government. I strongly suspect that if we were able to point out to a firm that because of a newly developed technique they, in fact, were selling a product that was hazardous, probably all of the firms that are in operation at the present time would immediately recall all that product without our needing to put it under detention.

We might use the detention procedure in order to assist them because we have people in the field and it might be their wish, and I

[Interprétation]

est-ce que le ministère confisquerait les stocks existants de ce produit chimique?

M. Williams: Pardon?

Le président: Est-ce qu'il confisquerait?

M. Danforth: Est-ce que par ces dispositions, on bloquerait tous ces stocks?

M. Williams: Oui, nous supprimerions immédiatement l'enregistrement. Nous ferions savoir à nos inspecteurs que tous les stocks doivent être bloqués.

M. Danforth: Et alors, est-ce qu'en vertu de cet article particulier, une mesure semblable pourrait être prise à l'égard de l'annulation d'un produit enregistré?

M. Williams: Oui.

M. Danforth: En vertu de la loi?

M. Williams: Oui, nous pourrions annuler l'enregistrement. Je pourrais peut-être ajouter aussi que lorsque nous parlons d'indemnité, à savoir si oui ou non le gouvernement devrait payer une indemnité à une société, j'ai l'impression que la plupart des compagnies nous seraient très reconnaissantes car une fois le danger reconnu, les réclamations civiles que l'on pourrait faire si le produit était mis sur le marché seraient extrêmement graves.

M. Danforth: Ce qui me préoccupe dans ce cas particulier, c'est que, en vertu des dispositions de ce bill, nous nous trouvons en face d'un produit enregistré par le gouvernement et mis sur le marché selon des règlements établis par le gouvernement. Si le gouvernement retirait le produit du marché, qu'elle serait exactement sa position?

M. Williams: J'ai dit que le gouvernement le retirerait du marché, mais j'ai l'impression qu'il n'aurait pas à poser le geste lui-même.

Si nous étions en mesure de signaler à une compagnie, en raison d'une technique nouvellement découverte, qu'elle vend un produit dangereux, je crois que toutes les entreprises qui existent à l'heure actuelle retireraient elles-mêmes le produit sans que nous ayons à intervenir. Nous pourrions peut-être employer la saisie et la retenue pour les aider à le faire, car nous avons des gens sur place qui pourraient aider à cet égard.

[Text]

think it would, from my knowledge of the industry.

Mr. Danforth: May I be permitted, Mr. Chairman, one more supplementary and then I will pass? Mr. Williams was speaking of his knowledge of the industry and Mr. Jefferson, and I know they are closely associated with it. Is it the view of the witnesses that the standard procedures in the laboratories of the industry are comparable to government procedures and that the industry might pick up such a mitigating factor even prior to government laboratory tests?

Mr. Williams: I think I would have to say, yes. In the larger ones I think there is some range, but in general the pesticide industry is large, not small. It is a complex industry; it requires a great many facilities in order to produce pesticides.

Mr. Danforth: Thank you.

The Chairman: Mr. Gleave has a supplementary.

Mr. Gleave: Have you ever run into any problems concerning the carriers that farmers and other people use? For instance, we use diesel fuel sometimes as a carrier for a chemical, particularly when using aircraft and I have known people to use just use ordinary detergents, claiming they can get a better kill or a better fix on the plant. Have you ever run into the problems of some carrier altering the chemical and causing damage?

Mr. Jefferson: I do not recall a specific case in detail but I do recall that there have been cases where the detergent or surfactant or some other additive has significantly altered the effectiveness of a pesticide and made it less useful than otherwise it would have been, and also made it more dangerous than otherwise it would have been.

• 1135

Mr. Gleave: But no restrictions have been put on in this regard.

Clauses 5 and 6 agreed to.

Clause 7—Powers of Inspectors.

Mr. Danforth: Is there any variance in the nomenclature of this particular clause and the previous clause, and if so, why?

Mr. Jefferson: Mr. Chairman, this clause has been amended to coincide with the word-

[Interpretation]

M. Danforth: Une dernière question supplémentaire et, ensuite, je céderai la parole. M. Williams a parlé de ses connaissances de l'industrie, et M. Jefferson et moi-même savons qu'ils y sont associés de très près. Les témoins croient-ils que la procédure normale dans les laboratoires de l'industrie même se compare favorablement aux procédures du gouvernement et que les laboratoires pourraient déceler ces facteurs, même avant les essais en laboratoire du gouvernement?

M. Williams: Je dirais oui, pour les laboratoires de plus grande importance, mais en faisant remarquer qu'en général l'industrie des produits antiparasitaires est importante. C'est une industrie complexe et elle a besoin de nombreux dispositifs pour préparer ces produits antiparasitaires.

M. Danforth: Merci.

Le président: M. Gleave aurait une question supplémentaire.

M. Gleave: Avez-vous déjà eu des problèmes par rapport aux véhicules utilisés par les fermiers. J'explique. On utilise parfois l'essence diesel comme véhicule pour les produits chimiques mais je connais des personnes qui utilisent des détergers ordinaires pour s'assurer que les produits antiparasitaires se fixent aux plantes et ainsi obtenir de meilleurs résultats. Est-il déjà arrivé que ces véhicules aient endommagé le produit chimique et causé des dégâts?

M. Jefferson: Je ne me souviens pas d'un cas particulier, dans tous ses détails, mais je me souviens qu'il y a eu des cas où un détergent ou un autre additif avait changé considérablement la nature même d'un pesticide, ce qui le rendait moins efficace qu'il ne l'aurait été autrement, et aussi beaucoup plus dangereux qu'il ne l'aurait été.

M. Gleave: Mais, il n'y a pas eu de restrictions d'imposées à cet égard.

Les articles 5 et 6 sont adoptés.

L'article 7: pouvoirs de l'inspecteur.

M. Danforth: Une question. Est-ce que les dispositions de cet article sont les mêmes qu'auparavant? Et sinon, pourquoi a-t-on changé le libellé de cet article?

M. Jefferson: On a fait concorder le texte de cet article avec les autres lois qu'adminis-

[Texte]

ing in the other commodity legislation that the Department administers: the Feeds Act, the Fertilizers Act and the Seeds Act, all of which have been amended since 1939 when the current Pest Control Products Act came into force.

Mr. Williams: I might say that the powers are no broader here than previously; the wording has been amended.

The Chairman: Shall Clause 7 carry?

Mr. Horner: Just one quick question. These inspectors work under the Department of Agriculture?

Mr. Williams: That is correct.

Mr. Horner: Concerning the pesticide residue legislation, the inspectors worked under the Food and Drugs Act, did they not...

Mr. Williams: No.

Mr. Horner: ...or did they work under the Department of Agriculture too?

Mr. Williams: Both.

Mr. Horner: Both?

Mr. Williams: Yes. The requirement for inspectors under the Food and Drugs Act in the pesticide compensation legislation was if the product had been put under detention by them because of residues contained in it.

Clauses 7 and 8 agreed to.

On Clause 9—Seizure.

Mr. Horner: Mr. Chairman, under Clause 9 I would like to deal with the question of seizure and detention and appeal. This Bill is proposing a number of things the old Act did not. First of all—and Mr. Williams can correct me if I am wrong—you are for the first time going to register the plants, the establishments, and if you have any difficulty with the plants—you stated a while ago and you can correct me if I am wrong—you can take away their licences and put them, in fact, out of business.

You also direct the plants on how they shall operate, how they shall prescribe the manufacturing in the plants, you advise them how to package their products, you advise them how to advertise their products and you advise them to some extent on the guarantees of their products. Surely you must believe—and you stated in some respects—that an appeal is very necessary. You also stated that at all times you believed the authority of the Department must go down; that in effect you would hate to see a superior person in the

[Interprétation]

tre notre ministère et qui ont toutes été modifiées depuis 1939.

M. Williams: Mais les pouvoirs ne sont pas plus vastes qu'il ne l'étaient. Les libellés peuvent être différents.

Le président: L'article 7 est-il adopté?

M. Horner: Une question rapide. Ces inspecteurs travaillent pour le ministère de l'Agriculture?

M. Williams: C'est exact.

M. Horner: En vertu de la législation relative aux résidus antiparasitaires, les inspecteurs travaillaient sous l'empire de la *Loi des aliments et drogues*, n'est-ce pas?

M. Williams: Non.

M. Horner: Ou bien, travaillaient-ils pour le ministère de l'Agriculture.

M. Williams: Les deux.

M. Horner: Les deux?

M. Williams: Oui. La *Loi des aliments et drogues* précise que l'inspecteur doit retenir le produit s'il y a décelé des résidus.

Les articles 7 et 8 sont adoptés.

Article 9: saisie.

M. Horner: A l'article 9, monsieur le président, j'aimerais parler de cette question de saisie et de retenue. La nouvelle loi permet plusieurs choses que l'ancienne loi ne permettait pas. M. Williams pourra me corriger si je fais erreur, mais tout d'abord, pour la première fois, on prévoit l'enregistrement des établissements. Et, si vous avez des difficultés, comme vous l'avez dit tout à l'heure, avec l'établissement, vous pouvez leur enlever leur permis et, en fait, les forcer à cesser leur exploitation.

Vous dites aux entreprises comment elles doivent fonctionner, emballer leurs produits, les annoncer et, jusque dans une certaine mesure, vous leur indiquez quelle garantie doit accompagner ce produit. Vous devez certainement croire qu'il est nécessaire que les fabricants puissent interjeter appel. Vous avez également déclaré que vous détesteriez voir une personne haut placée, dans votre ministère, casser une décision d'un inspecteur qui lui est subordonné.

[Text]

Department over-ruling the subordinate inspector. Well, this is the question I am asking.

Mr. Williams: Mr. Chairman, I had not intended to imply that; all I had intended to imply is that I would not like to see a system of appeals built up under which subordinate employees took the position, or that would encourage employees to take the position: "I do not have to look at this matter very hard because the fellow will appeal it automatically and somebody else will decide."

I said I had a philosophical rather than a practising practical concern and quite frankly—and I am speaking very personally here—I would hate to see anything that would have any tendency to cause any of our employees at any level not make as hard a decision, as complete a decision and as valid a decision as it was possible for them to do; not to evade in any way, shape or form their responsibilities. That is all I said.

Mr. Horner: I can quite agree with that position but having said that, Mr. Williams, do you not believe that a right to appeal should be given to the chemical companies? Somebody on the Committee suggested that the chemical companies could live with the government; they were born under the government, in many cases, and are policed by the government so they could live with the government.

However, in living with the government surely under a free society they should have the right to appeal, in view of your statement, too, that it would be very impractical for outside action to be taken against the government, as I understood you. Am I right?

Mr. Williams: Concerning this appeal matter I think my views were that it would be very costly to set up an outside appeal body.

Mr. Horner: I took it to mean you felt it would be very impractical for a concern to take the government to court as is suggested in Clause 2 of this Bill; that it would be very unlikely that the company could win.

Mr. Williams: I do not think I made any such statement.

Mr. Horner: I misunderstood you and I am glad I brought it up.

Mr. Williams: If I did make such a statement I will withdraw it, but I do not think I did.

Mr. Horner: I think I misunderstood you and I am glad we cleared it up. Would you

[Interpretation]

M. Williams: Je n'avais pas l'intention de laisser entendre cela. Tout ce que je voulais dire c'est que je n'aimerais pas voir l'instauration d'un système d'appel qui permettrait aux employés de se dire: «Je n'ai pas besoin d'examiner de trop près ce cas, car on fera appel automatiquement et quelqu'un d'autre aura à décider.»

Et, j'ai dit que j'avais une autre préoccupation. Je n'aimerais pas voir quoi que ce soit qui aurait tendance à porter nos employés à ne pas fouiller la question à fond afin de rendre une décision aussi complète et aussi juste que possible, ou à les porter à ne pas prendre leurs responsabilités. C'est tout ce que j'ai dit.

M. Horner: Oui, mais, ayant dit cela, ne croyez-vous pas que nous devrions accorder le droit d'appel aux fabricants de produits chimiques. Un membre du Comité a dit que les compagnies pouvaient certainement faire bon ménage avec le gouvernement; elles sont nées sous le gouvernement, sont contrôlées par le gouvernement, donc elles peuvent faire bon ménage avec lui. Elles devraient sûrement avoir le droit d'en appeler d'une décision surtout, comme vous l'avez dit, qu'il ne serait pas des plus pratique de prendre des mesures contre le gouvernement.

M. Williams: Pour ce qui est des appels, je crois avoir dit qu'il en coûterait très cher pour créer un organisme externe pour les appels.

M. Horner: Je croyais que vous aviez dit que vous pensiez qu'il ne serait pas pratique pour un fabricant de traîner le gouvernement en cour, qu'il aurait peu de chances d'avoir gain de cause.

M. Williams: Je ne crois pas avoir fait une telle déclaration.

M. Horner: Je vous ai probablement mal compris. Je suis heureux d'avoir relevé ce point.

M. Williams: Si j'ai fait une telle déclaration je la retire. Mais je ne crois pas l'avoir faite.

M. Horner: Je vous ai probablement mal compris et je puis content que nous ayons

[Texte]

object, Mr. Williams, if an amendment were written in to this clause that said something like this:

That the company whose product has been seized or detained be granted the right at any time after the detention to appeal before an independent board consisting of representations from the industry and the Department.

Now, this is really not an outside board; it is just to make certain the industry has representation there.

• 1140

Mr. Williams: I mentioned my concern earlier. I would hate to think of a situation where the Department and its officials had an opportunity of hiding behind a body and saying, "Well, all right, if you do not like the decision of the Department or of a particular official we will convene this board and let them look at it." It seems to me that this would slow down the appeal procedure rather than speed it up.

Mr. Horner: If the industry wanted to get their product on the market and felt the appeal would slow it up they would not take it to the appeal board. That is decision for the industry to make.

Mr. Williams: Yes, I appreciate that, Mr. Horner, but I do feel that there is also a tendency within any administrative body, if a formal appeal procedure is set up, to say, "All right, we will take it to the appeal procedure then." You have that opportunity. Once again, my argument is not an argument of fact, it is an argument of philosophy.

Mr. Horner: Yes, I understand and I do not disagree entirely with your philosophy, recognizing, of course, your position. In looking at it from the other side, the chemical companies objected to the registration of the establishment and so on, but I do not object to that because I believe the chemical industry is a very technical industry and that great harm can be done by it if great care and caution are not exercised at all times. But in saying that and in being fair to the company, I think also that they should have the right to appeal to make certain that the rigid controls under which they have to live are not too restrictive; not too restrictive from a competitive point of view and not too restrictive from the point of view of motivation in carrying on more product research.

[Interprétation]

éclairci ce point. Vous objecteriez-vous, Monsieur Williams, à ce que soit incorporé à ce bill un amendement qui dirait à peu près ceci:

«Que la compagnie dont le produit a été saisi ou retenu ait le droit, à tout moment après la saisie, d'en appeler de la décision auprès d'un tribunal indépendant composé de représentants de l'industrie et du ministère.»

Il ne s'agit pas directement d'un organisme externe. Cet amendement ne veut qu'assurer la présence de représentants de l'industrie au sein de ce tribunal.

M. Williams: J'ai mentionné ma préoccupation plus tôt. Je n'aimerais pas voir une situation où le ministère ou ses fonctionnaires pourraient se cacher derrière un organisme et dire: Très bien, si vous n'aimez pas la décision du ministère ou d'un fonctionnaire particulier, nous allons tout simplement convoquer ce tribunal d'appel et nous le laisserons examiner la question. Il me semble que cela retarderait plutôt que de hâter la procédure d'appel.

M. Horner: Si l'industrie voulait hâter la mise en marché de leurs produits et qu'elle croyait que l'appel la retarderait, elle ne ferait pas appel. C'est la décision que l'industrie doit prendre.

M. Williams: Oui, je comprends, monsieur Horner, mais je crois qu'il y a certainement une tendance à l'intérieur d'un organisme administratif, que s'il y a un tribunal d'appel ou une procédure d'appel, l'on dit tout simplement: «Oui nous en appellerons dans ce cas-là. Vous avez cette chance. Encore une fois, mon argument n'est pas fondé sur les faits mais sur la philosophie.

M. Horner: Oui, je comprends, mais je ne suis pas tout à fait d'accord avec cette philosophie, tout en reconnaissant votre position. Mais d'un autre côté, les fabricants de produits chimiques se sont opposés à l'enregistrement de l'établissement, etc., mais moi je ne m'y oppose pas, car je crois que l'industrie des produits chimiques est une industrie très technique et qu'elle peut produire beaucoup de choses nuisibles si on ne prend pas les mesures les plus prudentes en tout temps. Mais, pour être juste envers la compagnie, je crois qu'elle devrait aussi avoir le droit d'interjeter l'appel, pour être bien sûr que les règlements très stricts auxquels ils sont soumis ne soient pas trop restreignants du point de vue de la concurrence et du point de vue de l'initiative quant aux recherches sur les nouveaux produits.

[Text]

Mr. Williams: Mr. Phillips would like to comment on this but before he does, it is my view that this is a most difficult question. I think we must have action as quickly as possible on these matters. I think that if the industry had been able in any way, shape or form to indicate that there was basis for their concern and had been able to document it, I would be much more concerned about providing a form of appeal against decisions made at lower levels in the Department, and I use the word "lower" advisedly here; not in a derogatory sense, but to mean at earlier stages. As I say, the Act has been in force for a great length of time. I would not want to set up a procedure that could hamper things unless there was a demonstrated need for it.

Mr. Horner: Yes, I agree with you, Mr. Williams, but the point here is that this Bill is, in effect, moving a step further towards regulating and controlling and registering the plant and the establishment.

Mr. Williams: That is correct.

Mr. Horner: The past does not necessarily apply to the future. It does not necessarily. It may well, but not necessarily.

Mr. Williams: Yes, that is right. But this particular Clause 9, in fact, applies only in respect of the detention of a product after it has been manufactured.

The Chairman: Mr. Phillips has a comment.

Mr. Phillips: Mr. Chairman, in this regard it has been indicated that we are going further in this Bill than before. I know Mr. Horner mentioned the relation of the plant rather than of the product, but indeed in recent years the form of legislation dealing with commodities has withdrawn from a previous position and it is much clearer in relation to what can be done. For example, in the current Act—the one which we operate under now—we deal with the inspector:

... may be seized and detained by an inspector at the risk and expense of the owner until full compliance with this Act or regulations is properly effected, and if the owner fails to comply within twenty-one days the pest control product may be confiscated and disposed of as the Minister may direct.

[Interpretation]

M. Williams: M. Phillips voudrait commenter ce sujet, mais avant qu'il ne le fasse j'ai l'impression qu'il s'agit d'une question très difficile. Je crois qu'il faut agir le plus tôt possible dans ces questions. Je crois que si l'industrie avait pu d'une façon ou d'une autre nous indiquer que leurs préoccupations étaient fondées, je serais beaucoup plus préoccupé moi-même de fournir une procédure d'appel contre les décisions prises aux niveaux inférieurs du ministère, et ici je parle de niveaux inférieurs, non pas de façon dérogatoire, mais pour vouloir parler des premières étapes. Comme je l'ai dit, la Loi est en vigueur depuis longtemps. Je ne voudrais pas établir une procédure d'appel qui pourrait nuire à moins que le besoin en soit démontré.

M. Horner: Oui je suis tout à fait d'accord avec vous, monsieur Williams, mais, voici ce bill-ci va un peu plus loin dans la question de réglementation et d'enregistrement de l'établissement.

M. Williams: Oui c'est exact.

M. Horner: Le passé ne s'applique pas nécessairement à l'avenir. Cela pourrait arriver mais pas nécessairement.

M. Williams: Oui, mais l'article 9 en fait ne s'applique qu'à l'égard de la retenue d'un produit une fois fabriqué.

Le président: M. Phillips a une réponse supplémentaire.

M. Phillips: Monsieur le président, à ce sujet, on a indiqué que nous allons plus loin que la dernière fois en enregistrant l'établissement plutôt que le produit. Mais depuis de récentes années, les mesures législatives, quant à l'enregistrement des produits, sont beaucoup plus claires à l'égard de ce qu'on peut faire. Par exemple, dans la loi actuelle, celle qui fait loi à l'heure actuelle, nous parlons d'inspecteur:

... peut être saisi et détenu par un inspecteur aux frais et risques du propriétaire jusqu'à ce que ce dernier se soit pleinement conformé à la présente loi ou aux règlements, et, à défaut par le propriétaire de ce faire dans les vingt et un jours, le produit antiparasitaire peut être confisqué et il peut en être disposé selon que l'ordonne le Ministre.

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This Bill and other bills passed recently actually inhibit the activity of the inspectors and those administering the law. It states that:

Le présent projet de loi et d'autres bills qui ont été adoptés récemment entravent les activités des inspecteurs et de ceux qui administrent la loi, il déclare:

[Texte]

Any control product seized and detained
...shall not be detained after

If he corrects it in one hour, it must be released. I agree that there is a question of the opinion of an inspector, but the inspector would not stay there very long if he kept it under detention when it was corrected. Indeed it goes on to say, in subclause (2)(b)—and I think of this as a form of appeal:

the owner agrees to dispose of such control product in a manner satisfactory to the Minister...

This, indeed, provides a method for disposing of it if it does not come up to the law in some certain respect. Let us say there were 1,000 cases that were incorrectly labelled and there was some place it could be used for that purpose simply by means of giving that one user an invoice which stated the correct directions. This is a means of allowing its sale without each label being changed and this is spelled out here to be sure that there cannot be this forfeiture in 21 days.

Mr. Horner: You are suggesting, Mr. Phillips, that the Bill, in fact, is more lenient in some respects than the marketing and inspecting and seizure procedure. If that is so, why then did the companies, or the company association, request in their brief last Tuesday that an appeal procedure be given?

Mr. Phillips: Mr. Chairman, I am not certain that I can answer that. I gather that it was answered here earlier; that theirs was a philosophic one; that they just did not think it was good enough and that they would be exposed to decisions of a department.

Mr. Horner: Mr. Chairman, I am going to move an amendment, and I would like some discussion on it, that a subclause (d) be added to Clause 9(2):

that the company whose product has been seized or detained be granted the right at any time after the detention to appeal before an independent board consisting of representation from the industry and the Department of Agriculture.

The Chairman: Could we agree to expedite this, gentlemen, by declining comment and putting the question briefly and directly? Would that be agreed?

[Interprétation]

Un produit antiparasitaire saisi et retenu... ne doit plus être retenu

Si la correction est faite dans une heure, il ne peut plus être retenu je suis d'accord qu'il s'agit de l'avis d'un inspecteur, mais l'inspecteur n'y resterait pas tellement longtemps s'il retenait les produits lorsque la situation avait été corrigée. Et dans le paragraphe (2) b), on continue en disant, et je crois qu'il s'agit ici d'une forme d'appel:

dès que le propriétaire convient de disposer de ce produit antiparasitaire d'une manière satisfaisante pour le Ministre...

Cela effectivement donne un moyen de disposer du produit s'il ne satisfait pas aux conditions et aux exigences de la loi à certains égards. Mettons, par exemple, qu'il y avait 1,000 contenants où l'étiquetage n'était pas bon et que quelque part on pouvait l'utiliser à cette fin tout simplement en donnant à cet usager une facture indiquant les directions corrigées. C'est un moyen de permettre sa vente sans changer chaque étiquette et ici, on insiste sur cette terminologie pour être bien sûr qu'il y aurait cessation à la fin des vingt et un jours.

M. Horner: Vous prétendez, Monsieur Phillips, que le bill est, de fait moins restreignant que la procédure de mise en marché et d'inspection et de saisie. Si c'est vrai alors, pourquoi les compagnies ou l'association des compagnies a-t-elle demandé dans leur mémoire mardi dernier qu'on leur donne une procédure d'appel?

M. Phillips: Je ne suis pas sûr d'être capable de répondre, monsieur le président. Mais j'ai cru comprendre qu'il s'agissait d'une difficulté philosophique plutôt, qu'ils ne croyaient pas que cela était suffisant et qu'ils seraient exposés à la décision d'un ministère.

M. Horner: Monsieur le président, je vais proposer un amendement et j'aimerais bien qu'on en discute, qu'on ajoute à l'article 9 au paragraphe (2) un alinéa d): Que la compagnie dont le produit a été saisi ou retenu ait le droit, à n'importe quel moment après la rétention, d'en appeler auprès d'un tribunal indépendant composé de représentants de l'industrie et du ministère de l'Agriculture.

Le président: Est-ce que nous pourrions être d'accord, messieurs, afin de hâter les choses, de ne pas formuler de commentaires et de poser des questions brèves et directes? D'accord?

Some hon. Members: Agreed.

Des voix: D'accord.

[Text]

Mr. Horner: No, no. How can you put the question directly when the amendment has just been moved? If someone wants to speak to the amendment, he can do so.

The Chairman: That is fine. Gentlemen, we have reached our time of adjournment. I was hoping, of course, to make a little more progress than we have made this morning; it does not appear that we are going to be able to make that kind of progress. I am in the hands of the Committee. Would the Committee be willing to adjourn at 12 o'clock?

Some hon. Members: Agreed.

The Chairman: Are there comments on the amendment? Mr. Peters.

Mr. Peters: Could the amendment be read again, Mr. Chairman, so that we know what it is?

The Chairman: I think, Mr. Horner, that the amendment as presented will require some redrafting.

Mr. Horner: That is up to the Committee. They can move an amendment, they can delete a word, they can change it in any way they like.

• 1150

Mr. Peters: Mr. Chairman, I think we are all in agreement that the witnesses who appeared before us the other day and asked for an appeal procedure had in mind what may happen in the future rather than what has happened under the previous Act. They made a poor case for having an appeal procedure as far as I am concerned, but I still think that they should have one. I am not sure whether my support would be for an administrative or what manner of appeal. I have not disagreement with bringing the industry and the Department into it. Members of the Committee are surely not much interested in setting up a new legal procedure in a very formal way. We did hear that the main difficulty which may arise and which apparently plagues the industry is that there can be a time factor involved which is more probably important than the final disposition that normally takes place. They wanted it and I think there should be a right to an appeal.

Mr. Williams probably has some experience with the appeal procedures that have been used in other acts under the Department of Agriculture. I cannot think of any off-hand, but there have been some *ad hoc* boards called for the subject of appealing decisions,

[Interpretation]

M. Horner: Non, non. Comment pouvez-vous directement demander le vote alors que je viens de proposer l'amendement. Si quelqu'un veut prendre la parole, il peut certainement le faire.

Le président: Très bien. Messieurs, nous en sommes à l'heure de l'ajournement. J'avais espéré évidemment pouvoir progresser un peu plus que nous ne l'avons fait ce matin, mais apparemment, nous ne pourrions pas le faire. Je suis entre les mains des députés. Est-ce que le Comité serait disposé à lever la séance à midi?

Des voix: D'accord.

Le président: Alors, nous avons l'amendement. Y a-t-il des commentaires? Monsieur Peters.

M. Peters: Est-ce qu'on pourrait donner lecture de l'amendement encore une fois, s'il vous plaît, monsieur.

Le président: Je crois, monsieur Horner, que le projet d'amendement tel que vous l'avez présenté nécessiterait une certaine rédaction.

M. Horner: Les membres du Comité peuvent proposer un amendement, ils peuvent supprimer un mot ou deux.

M. Peters: Je crois, monsieur le président, que nous sommes tous d'accord que les témoins qui ont comparu devant nous l'autre jour, en demandant le droit d'appel, avaient en vue, non pas ce qui s'est produit en vertu de l'ancienne loi mais ce qui pourrait se produire à l'avenir. En fait, ils n'ont vraiment pas prouvé qu'un droit d'appel était nécessaire, à mon sens. Mais je crois toujours qu'ils devraient avoir le droit d'appel. Je ne suis pas sûr si je serais en faveur d'un appel administratif ou de tout autre appel. Je n'ai pas d'objection à y faire participer l'industrie et le ministère de l'Agriculture. Je suis sûr que les membres du comité ne seraient pas disposés à établir une nouvelle procédure juridique de façon officielle. Les difficultés qui peuvent se poser et qui préoccupent l'industrie, apparemment, c'est la question de temps en cause, qui est probablement plus importante que la disposition finale qui a lieu. Ils désirent un droit d'appel et j'appuie leur demande.

M. Williams a probablement une certaine expérience des procédures d'appel des autres mesures législatives. Je ne songe à aucune, mais des tribunaux *ad hoc* ont été convoqués pour en appeler des décisions prises en vertu d'autres lois, et il me semble, alors; que si

[Texte]

under other acts, and it seems to me that if we are going to write these changes, there should be a final recourse for the industry to take. I am thinking particularly of radioactive materials where there is going to be a considerable difference of opinion when these become a major factor. There is going to be a philosophical difference of opinion, no doubt, as to what they will do, what the dangers are, and what the aspects are, and I think an appeal procedure would be used in very limited fashion.

Listening to the witnesses, one manufacturer—I do not know whether he is a small manufacturer or a big one—said that in five years he had had only two cases and both of these were their own fault, and that they were very happy to correct the situation. There was no argument about this.

So I do not see it being used very often, and I certainly would support some type of an appeal. This may not be the best one, but I think there should be the right of recourse or redress in this legislation, as, I am sure most of us agree, there should be in all legislation. Therefore, I am prepared to support this amendment, but would certainly like to hear some discussion as to whether or not a better type of an appeal procedure could be implemented.

The Chairman: I think the Chair has been able to reach some agreement with the mover of the amendment Mr. Horner, that under Clause 9, section (2) an additional subclause be added, subclause 6. Subclause 6 to the main clause, correct, which would then read as follows:

That the company whose product has been seized or detained be granted the right at any time after the detention to appeal before an independent board consisting of representation from the industry and the Department of Agriculture.

Are you ready for the question? Mr. Danforth, you have a question?

Mr. Danforth: Yes, Mr. Chairman, I am quite in accord with the intent of the amendment, and I strongly feel, as do other members of the Committee, that there should be granted the right of appeal. However, I am a bit disturbed by some information given to us by Mr. Williams when he deals with the complexity of some of the matters that are involved and could be involved in the settling of a difference of opinion to this degree.

The independent board is satisfactory, as far as I am concerned, but I am a bit doubtful about the limitation to the Department and the industry, because it could be that the

[Interprétation]

nous allons introduire ces changements, l'industrie devrait avoir un recours final. Je songe notamment aux matériaux radioactifs où il y aura certainement des divergences d'opinions quant à leurs effets, à leur nature, les dangers qu'ils présentent, et ainsi de suite.

J'imagine que le droit d'appel ne serait utilisé que de façon très restreinte. Un des fabricants nous a dit, par exemple, que dans l'espace de cinq ans, il n'y a eu que deux cas et qu'ils étaient en faute dans les deux cas. Alors, je crois qu'on ne l'emploierait pas très souvent et qu'une forme d'appel serait souhaitable. Ce n'est peut-être pas la meilleure forme, mais la présente mesure législative devrait renfermer un droit d'appel. Je suis sûr que nous sommes tous d'accord que toute mesure législative devrait prévoir un droit d'appel. Je suis donc prêt à appuyer l'amendement, mais j'aimerais bien entendre des suggestions quant à une meilleure formule d'appel.

Le président: Je crois que nous avons pu en arriver à une certaine entente avec le parrain de l'amendement pour ajouter un alinéa supplémentaire à l'article 9, paragraphe 2; l'alinéa 6, qui se lirait ainsi: «que les compagnies dont le produit a été saisi ou retenu aient le droit, à n'importe quel moment après la rétention, d'en appeler, devant un tribunal indépendant composé des représentants de l'industrie et du ministère de l'Agriculture.»

Êtes-vous prêts à vous prononcer à ce sujet? M. Danforth désire-t-il poser une question?

M. Danforth: Monsieur le président, je suis d'accord avec l'objet de l'amendement et je suis d'avis, comme les autres députés, qu'il faudrait accorder le droit d'appel. Toutefois, certaines choses énoncées par M. Williams, quant à la complexité de la question, m'inquiètent.

Le tribunal indépendant est acceptable, à mon avis, mais, j'ai certains doutes quant à limiter sa composition à l'industrie et au ministère de l'Agriculture, car il se pourrait

[Text]

official witnesses, or the membership of the board, to give an honest evaluation should be comprised of perhaps someone outside of the Department of Agriculture. It could be maybe a member of the Food and Drug Directorate, or some other type of technician who should be placed on the board. I am just wondering, if it could be an independent board comprised of a membership mutually acceptable to both the Department and the industry, if this would not circumvent this problem by having the amendment read in this way, that "the appeal be directed to an independent board, whose membership shall be mutually acceptable to both the Department and the company involved."

• 1155

Mr. Horner: Mr. Chairman, I would accept the proposed changes, or the member can make an amendment to the amendment, if he likes, but if it would speed up the Committee work this morning I would just accept the modification that Mr. Danforth suggested to the amendment, if it is all right with you.

Mr. Whicher: Mr. Chairman, I am in sympathy completely with what has been said over here, but the fact is that the company came here last week and made one of the poorest cases imaginable on where they would need any appeal other than the Department of Agriculture itself. They kicked about the registration of plants. Gentlemen, in any manufacturing industry in Canada today there is a registration of plants, particularly when there is a serious involvement whereby the product concerned may do harm, in this instance to the farmers of Canada. I have been in the milk business for years. Every single milk plant in Canada is registered. Why is it registered? Because if we put out dairy products that are not good, it could poison somebody or do a great deal of harm.

Mr. Horner: Is the product, registered?

Mr. Whicher: Certainly they are registered and inspected at anytime by inspectors coming in.

Mr. Horner: Is butter registered?

Mr. Whicher: Well, I do not know. They are so obvious, I do not know whether butter is registered, I would not say it is, but they come in and test it at all times. The necessity for this was simply not documented last week by the industry. I asked them the question myself: "How many times in the last five years have you had any product red tagged?" "Twice" was the answer. "Did you have any problem with the Department?" "None what-

[Interpretation]

que les témoins officiels ou que le tribunal, afin de donner une évaluation complète—comprenne quelqu'un de l'extérieur du ministère de l'Agriculture. Ça pourrait être quelqu'un de la Direction des aliments et drogues ou un autre technicien. Est-ce que le tribunal indépendant pourrait être composé d'un effectif qui serait acceptable à l'industrie et au ministère? J'ai l'impression que l'on contournerait ainsi le problème si l'appel était envoyé à un tribunal indépendant, dont les membres seraient acceptables à la fois au ministère de l'Agriculture et à la compagnie en cause.

M. Horner: J'accepterais le changement proposé ou le député peut en proposer un amendement de l'amendement s'il le désire. Mais, pour hâter les travaux du comité, j'accepterais simplement la modification proposée par M. Danforth, si vous êtes d'accord.

M. Whicher: Je voudrais dire un mot à ce sujet pour compléter ce qui a été dit. Mais, le fait est que la compagnie a comparu devant nous la semaine dernière et n'a certainement pas démontré qu'un droit d'appel autre qu'auprès du ministère de l'Agriculture est justifié. Elle s'est opposée à l'enregistrement des usines, ce qui existe dans toute industrie de fabrication au Canada, surtout lorsque le produit peut être nuisible, et dans ce cas-ci, aux cultivateurs du Canada. J'exploite une industrie laitière depuis bon nombre d'années, et chaque industrie laitière est enregistrée. Pourquoi? Parce que si nos produits ne sont pas bons, ils pourraient empoisonner quelqu'un et causer beaucoup d'effets néfastes.

M. Horner: Le produit est-il enregistré?

M. Whicher: Oui, enregistré et inspecté à n'importe quel moment par les inspecteurs.

M. Horner: Le beurre également?

M. Whicher: Je ne sais pas si le beurre est enregistré ou non, mais ils viennent certainement en faire l'inspection à n'importe quel moment. La nécessité de ce point n'a tout simplement pas été démontrée la semaine dernière par l'industrie. Je leur ai demandé moi-même combien de fois, depuis cinq ans, ils avaient eu un produit interdit. Ils ont répondu qu'il avait eu deux cas. Lorsque je leur ai demandé s'ils avaient eu des problè-

[Texte]

soever; this was looked after by the Department".

Gentlemen, in every part of the food industry I can think of there is inspection. There is no right of appeal, as the Deputy Minister has said, except to the Department concerned. As far as the milk industry in Ontario is concerned, there is no appeal except to the milk marketing board itself. The liquor license board in the province of Ontario, there is no appeal, except to the license board itself.

Mr. Chairman, the Department of Agriculture is not in the business of putting industry out of business. They are there to help, and if the industry could show a case where they have not been co-operative, I would say: "Let us start up another appeal board". We have got so many boards in Canada now—and particularly one that probably will not be used because in the last five years it would not have been used once.

Therefore, I am opposed to this motion that has been put to us.

The Chairman: Thank you, Mr. Whicher. May I recognize Mr. Williams. I think maybe he has a comment.

Mr. Williams: Mr. Chairman, without wishing to speak to the actual amendment that is before the Committee at the present time, in view of the differences of opinion that appear to exist here and the fact that it does seem to me that what the industry is concerned about is some assurance that review procedure, appeal procedure, whatever one might like to call it, should be available as some sort of a right to them, I was wondering whether the Committee would feel, based on their assessment of the presentation that was made on Tuesday by the industry, that it would be useful if Clause 9 (5) (a) were to be amended possibly along the following lines—I would not want to be held to these words:

The Governor in Council may make regulations

(a) respecting the detention of any control product seized under this section the review procedures available to those who had commodities put under detention and the payment of any, and so on.

• 1200

That is somewhat less than setting up an appeal procedure but it does give them some minimum indication that a review procedure and the regulations governing it can be set up.

[Interprétation]

mes avec le ministère, ils ont répondu que tout a été réglé par le ministère même.

Messieurs, dans toute autre industrie de l'alimentation, il y a inspection. Il n'y a aucun droit d'appel comme le sous-ministre l'a dit, sauf auprès du ministre en cause. En ce qui concerne l'industrie laitière en Ontario, il n'y a pas d'appel, sauf auprès de l'office de commercialisation du lait.

Monsieur le président, le ministère de l'Agriculture n'est pas là pour mettre les industries en faillite. Il est là pour les aider. Si l'industrie avait pu démontrer que le ministère n'a pas collaboré, j'aurais été prêt à établir un nouveau tribunal d'appel. Mais nous en avons tellement déjà au Canada, pourquoi en créer un qui ne serait pas utilisé, car au cours des cinq dernières années il n'aurait pas été employé une seule fois. Par conséquent, je suis opposé à cette motion.

Le président: Merci, monsieur Whicher. Est-ce que je pourrais donner la parole à M. Williams?

M. Williams: Monsieur le président, sans vouloir parler de l'amendement qui nous est présenté je me demande si, en raison des divergences d'opinions qui semblent exister ici, l'industrie semble se soucier d'avoir une certaine assurance qu'il y aura une procédure d'appel. Je me demandais si le comité, se fondant sur son évaluation du mémoire présenté mardi par l'industrie, trouverait utile de modifier l'article 9 (5) a) pour qu'il se lise à peu près ainsi, mais je vous fais remarquer que je ne voudrais être lié à ce texte:

Le gouverneur en conseil peut établir des règlements

a) concernant la rétention de tout produit antiparasitaire saisi en vertu du présent article, les procédures de révision de la cause pour ceux dont les produits ont été retenus, et le paiement etc. etc...

Nous n'établissons pas, de la sorte, d'appel mais cette insertion donne aux fabricants une indication qu'une procédure de révision et les règlements qui régiraient cette procédure pourront être établis.

[Text]

Mr. Danforth: Mr. Chairman, may I speak on this?

The Chairman: I have Mr. Douglas on my list. I also have Mr. Barrett. Mr. Gleave on a point of order.

Mr. Gleave: It is 12 o'clock and it is obvious at least to me, we are not going to resolve this in a few minutes. Would it be better to adjourn and go into it at the next session?

Mr. Southam: Mr. Chairman, just as a matter of comment, a few moments ago disappointment was expressed at the progress we are making. I would like to say in defence of all the Committee members here, and I mean all the members, that I think we have had a very interesting discussion, a very productive one, and I am saying this for the sake of the record.

Mr. Barrett: Mr. Chairman, I think we should leave the hypothetical questions to a hypothetical time and not waste time with these sort of things.

The Chairman: Gentlemen, before we adjourn I do have one matter that has been brought to my attention and that is that it may not be entirely convenient for some members to attend this Committee next week because of an agricultural showmart in Montreal. I am sure the Committee agrees, as we are dealing with legislation, it might not be convenient or possible to set aside our meetings and we would hope that those who wish to attend the agricultural showmart might be able to do so on Wednesday so that our meeting could continue on Tuesday morning in the normal way.

Mr. Peters: Mr. Chairman, was there not a suggestion that the Committee might take the advantage of visiting this agricultural show?

The Chairman: My only information, of course, is that many members wanted to go. Our terms of reference do not include going as a Committee, as I understand it, at the moment. We do have a fairly lengthy list of legislation before us and other responsibilities, and if it is the wish of the Committee we will meet as usual next Tuesday at 9.30 a.m.

Some hon. Members: Agreed.

The Chairman: Gentlemen, the meeting is adjourned at the call of the Chair.

[Interpretation]

M. Danforth: Puis-je parler, monsieur le président?

Le président: J'avais M. Douglas, et j'avais aussi M. Barrett sur ma liste. Monsieur Gleave en appelle au règlement.

M. Gleave: Monsieur le président, il est midi et il me semble que nous ne pourrions pas résoudre ce problème d'ici quelques minutes. Est-ce qu'il ne serait pas préférable de lever la séance et d'en discuter à la prochaine séance.

M. Southam: Tout à l'heure, il a été question du peu de progrès accompli. J'aimerais dire, à la décharge de tous les députés, que notre discussion a été très intéressante, très productive. Je le dis tout simplement pour que ce puisse être consigné au procès-verbal.

M. Barrett: Je crois que nous devrions laisser les questions hypothétiques à un moment hypothétique et ne plus gaspiller le temps du Comité.

Le président: Messieurs, un point m'a été signalé, savoir qu'il ne serait peut-être pas tout à fait opportun pour certains membres du Comité d'assister à une séance, la semaine prochaine, en raison de la tenue du Salon de l'agriculture, à Montréal. Le comité sera peut-être d'accord pour dire, vu que nous étudions un projet de loi, qu'il n'est pas approprié de mettre nos réunions de côté. Ceux qui veulent assister au Salon de l'Agriculture pourraient le faire mercredi pour que nous puissions tenir notre réunion mardi.

Mr. Peters: N'avait-il pas été suggéré que les membres du Comité assistent à cette exposition agricole?

Le président: Le seul renseignement que je possède, c'est que plusieurs membres voulaient y aller. Notre mandat ne prévoit pas une telle visite de notre part, en tant que comité. Nous avons une longue liste de mesures législatives devant nous, et si c'est le désir du Comité, nous allons nous réunir mardi matin, comme d'habitude, à 9 heures 30. D'accord?

Des voix: D'accord.

Le président: La séance est donc levée, messieurs.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 18

TUESDAY, FEBRUARY 11, 1969

LE MARDI 11 FÉVRIER 1969

Respecting

Concernant

BILL C-157,

Le BILL C-157,

The Pest Control Products Act.

Loi sur les produits antiparasitaires.

BILL C-156,

Le BILL C-156,

An Act to amend the Animal Contagious
Diseases Act.

Loi modifiant la Loi sur les épizooties.

Including Fourth Report to the House

Y compris le quatrième Rapport
à la Chambre

Appearing:

Minister of Agriculture

Hon. H. A. Olson

A comparu:

Ministre de l'Agriculture

WITNESSES—TÉMOINS

(See Minutes of Proceedings)

(Voir les Procès-verbaux)

THE QUEEN'S PRINTER, OTTAWA, 1969
L'IMPRIMEUR DE LA REINE, OTTAWA, 1969

STANDING COMMITTEE ON
AGRICULTURE

Chairman
Vice-Chairman

and Messrs.

Clermont,
Cobbe,
Danforth,
Douglas,
¹ Foster,
Gauthier,
Gleave,
Horner,
Howard (*Okanagan
Boundary*),

Mr. Bruce S. Beer
M. Marcel Lessard
(*Lac-Saint-Jean*)

Korchinski,
Lambert (*Bellechasse*),
La Salle,
LeBlanc (*Rimouski*),
Lefebvre,
Lind,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),
McKinley,
Peters,

COMITÉ PERMANENT DE
L'AGRICULTURE

Président
Vice-président

Et MM.

Pringle,
Roy (*Laval*),
St. Pierre,
² Smith (*Northumberland-
Miramichi*),
Southam,
Thomson (*Battleford-
Kindersley*),
³ Turner (*London East*),
Whicher,
Yanakis—(30).

Le secrétaire du Comité,

Michael A. Measures

Clerk of the Committee.

¹ Replaced Mr. Côté (*Richelieu*), on
February 10, 1969.

² Replaced Mr. Stewart (*Okanagan-
Kootenay*), on February 10, 1969.

³ Replaced Mr. Barrett, on February 11,
1969.

¹ Remplace M. Côté (*Richelieu*), le 10
février 1969.

² Remplace M. Stewart (*Okanagan-
Kootenay*), le 10 février 1969.

³ Remplace M. Barrett, le 11 février
1969.

CORRIGENDUM

(Version française seulement—French
only)

Fascicule n° 16, le mardi 4 février 1969,
page 16-3, paragraphe 2, ligne 2:
après «Horner,» insérer «Howard».

REPORT TO THE HOUSE

WEDNESDAY, February 12, 1969.

The Standing Committee on Agriculture has the honour to present its

FOURTH REPORT

Pursuant to its Order of Reference of Tuesday, January 14, 1969, your Committee has considered Bill C-157, the Pest Control Products Act, and has agreed to report it with the following amendment:

In Clause 9, Sub-clause 5, paragraph (a), line 2 thereof, after the word "section", insert a comma and thereafter: "the establishment of procedures for the review of any seizure and detention".

A copy of the Minutes of Proceedings and Evidence relating to this Bill (*Issues No. 14, 15, 16, 17 and 18*) is tabled.

Respectfully submitted,

BRUCE S. BEER,
Chairman.

RAPPORT À LA CHAMBRE

Le MERCREDI 12 février 1969.

Le Comité permanent de l'agriculture a l'honneur de présenter son

QUATRIÈME RAPPORT

Conformément à l'ordre de renvoi du mardi 14 janvier 1969, le Comité a étudié le Bill C-157: Loi sur les produits antiparasitaires, et il est convenu de rapporter ledit bill avec la modification suivante:

A l'alinéa *a*) du paragraphe (5) de l'article 9, insérer, après le mot «article», à la troisième ligne dudit alinéa, une virgule suivie de: «l'établissement d'une procédure de revision de toute saisie et rétention».

Un exemplaire des procès-verbaux et témoignages relatifs à ce bill (*Fascicules n° 14, 15, 16, 17 et 18*) est déposé.

Respectueusement soumis,

Le président,
BRUCE S. BEER.

[Text]

MINUTES OF PROCEEDINGS

TUESDAY, February 11, 1969.
(21)

The Standing Committee on Agriculture met at 9.47 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Cobbe, Danforth, Douglas, Foster, Gauthier, Horner, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), La Salle, Lessard (*Lac-Saint-Jean*), Lind, McKinley, Moore (*Wetaskiwin*), Peters, Pringle, Smith (*Northumberland-Miramichi*), Southam, Thomson (*Battleford-Kindersley*), Turner (*London East*), Whicher, Yanakis—(23).

Witnesses: From the Department of Agriculture: The Honourable H. A. Olson, Minister; Mr. S. B. Williams, Deputy Minister; Mr. C. R. Phillips, Director General of Production and Marketing; Dr. R. J. McClenaghan, Director, Contagious Diseases Division, Health of Animals Branch.

The Committee resumed consideration of Bill C-157, the Pest Control Products Act.

On Clause 9, the Chairman ruled out of order the amendment moved at the previous meeting by Mr. Horner which was as follows:

That the following be added as Subclause (6): The company whose product has been seized or detained be granted the right at any time after the detention to appeal before an independent board consisting of representation from the industry and the Department of Agriculture.

In giving his ruling, the Chairman read aloud Section 54 of the British North America Act, 1867 (As amended).

Mr. Douglas moved an amendment to paragraph 9.(5)(a), inserting after the

[Traduction]

PROCÈS-VERBAUX

MARDI 11 février 1969.
(21)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 47, sous la présidence de M. Beer, président.

Présents: MM. Beer, Cobbe, Danforth, Douglas, Foster, Gauthier, Horner, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), La Salle, Lessard (*Lac-Saint-Jean*), Lind, McKinley, Moore (*Wetaskiwin*), Peters, Pringle, Smith (*Northumberland-Miramichi*), Southam, Thomson (*Battleford-Kindersley*), Turner (*London East*), Whicher, Yanakis—(23).

Témoins: Du ministère de l'Agriculture: L'honorable H. A. Olson, ministre; M. S. B. Williams, sous-ministre; M. C. R. Phillips, directeur général de la Production et des marchés; Dr. R. J. McClenaghan, directeur de la Division des épizooties, Direction de l'hygiène vétérinaire.

Le Comité reprend l'examen du Bill C-157—Loi sur les produits antiparasitaires.

Sur l'article 9, le président déclare irrecevable la modification proposée lors de la séance précédente par M. Horner, à savoir:

Que l'on ajoute la disposition suivante, en tant que paragraphe (6): La société dont le produit a été saisi ou retenu a le droit, à tout moment qui suit la rétention, d'en appeler à un conseil indépendant composé de représentants de l'industrie et du ministère de l'Agriculture.

En faisant part de sa décision, le président lit à haute voix l'article 54 de l'Acte de l'Amérique du Nord britannique de 1867 (modifié).

M. Douglas propose que l'on modifie l'alinéa a) du paragraphe (5) de l'article

word "section" in line 2 thereof, a comma and thereafter the following:

"the establishment of procedures for the review of any seizure and detention".

After some discussion and questioning of witnesses, the motion was carried on a show of hands: YEAS 18, NAYS 0.

Clause 9 as amended was carried.

Clause 10 was carried.

Following questions, Clause 11 was carried as was Clause 12.

Clauses 13 and 14 were carried in their order.

Following brief questioning, Clause 1 was carried.

The title and the bill were carried and it was agreed that the Chairman would report Bill C-157 with amendment.

The Committee resumed consideration of Clause 1 of Bill C-156, An Act to amend the Animal Contagious Diseases Act.

Following questioning of witnesses, Mr. Peters moved an amendment to Clause 1 which the Chairman is to place before the Committee when it is available in writing.

Clause 1 was allowed to stand.

At 11.47 p.m., the Committee adjourned to the call of the Chair.

9 en insérant, après le mot «article», à la troisième ligne dudit alinéa, une virgule suivie de :

«l'établissement d'une procédure de révision de toute saisie et rétention».

Après débat, et les témoins ayant été interrogés, la proposition est adoptée, par un vote à main levée, par 18 voix à 0.

L'article 9 modifié est adopté.

L'article 10 est adopté.

Après quelques questions, l'article 11 est adopté, de même que l'article 12.

Les articles 13 et 14 sont adoptés, dans cet ordre.

Après quelques questions brèves, l'article 1 est adopté.

Le titre et le bill sont adoptés, et il est décidé que le président fera rapport du Bill C-157 avec modification.

Le Comité reprend l'examen de l'article 1 du Bill C-156—Loi modifiant la Loi sur les épizooties.

On interroge les témoins, puis M. Peters propose une modification à l'article 1, que le président soumettra au Comité lorsqu'elle sera disponible par écrit.

L'article 1 est réservé.

A 11 h. 47 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

*Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.*

[Texte]

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday, February 11, 1969

• 0947

The Chairman: Gentlemen, we will come to order and begin our consideration of Bill C-157.

When the Committee last adjourned we were considering Clause 9 and an amendment had been delivered to the Chair. It reads as follows:

That the following be added as subclause (6) under Clause 9:

The company whose product has been seized or detained be granted the right at any time after the detention to appeal before an independent board consisting of representation from the industry and the Department of Agriculture.

Because this amendment was rather far-reaching we sought some additional advice and we are advised by the consultant parliamentary counsel, Dr. Ollivier, that the amendment as drafted is out of order because it involves the expenditure of money.

I can refer the Committee to Beauchesne, 4th Edition, under the British North American Act, Article 54. Does the Committee wish me to read it?

Some hon. Members: Yes.

The Chairman: It reads:

It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address, or Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost to any Purpose that has not been first recommended to that House by Message of the Governor General in the Session in which such Vote, Resolution, Address, or Bill is proposed.

The Chair, it seems, has no alternative but to declare the amendment out of order.

To accommodate the wishes of the Committee the Department, through the Minister, has done some study and is probably in a position at this time to make a recommendation to the Committee.

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Le mardi 11 février 1969

Le président: Messieurs, la séance est ouverte. Nous allons commencer notre étude du Bill C-157. Lorsque la séance s'est ajournée, la dernière fois, nous en étions à l'article 9 et l'amendement suivant avait été présenté au président:

Que l'on ajoute ce qui suit au paragraphe 6, article 9: La compagnie dont le produit a été saisi ou retenu a le droit, à n'importe quel moment après la rétention d'interjeter appel auprès d'un conseil indépendant composé de représentants de l'industrie et du ministère de l'Agriculture.

Comme cet amendement était assez important nous avons demandé conseil, et le conseiller parlementaire, M. Ollivier, nous a dit que l'amendement n'est pas recevable parce qu'il comporte des dépenses d'argent. Et, je me rapporte à la quatrième édition de Beauchesne, d'après l'Acte de l'Amérique du Nord Britannique, article 54, voulez-vous que je vous le lise?

Des voix: Oui.

Le président: Voici.

54. Il ne sera pas permis à la Chambre des communes d'adopter une motion, une résolution, une adresse ou un projet de loi proposant d'affecter quelque partie du revenu public, d'une taxe ou d'un impôt à un objet que le Gouverneur général n'aura pas au préalable recommandé par un message à la Chambre au cours de la session pendant laquelle cette motion, cette résolution, cette adresse ou ce projet de loi sera proposé.

Par conséquent, la présidence n'a pas le choix, et doit déclarer l'amendement irrecevable.

Selon le désir du Comité, le ministère et le ministre ont fait quelques recherches et sont peut-être en mesure de faire des recommandations au Comité. Monsieur le ministre.

[Text]

Hon. H. A. Olson (Minister of Agriculture):
Thank you, Mr. Chairman.

We wish to suggest to the Committee the amendment of Clause 9(5)(a) by inserting, between the word "section" in line 20 and the beginning of line 21, the following words:

...the establishment of procedures for the review of any seizure and detention...

And from there it would continue as presently worded.

This is the clause that provides the authority for the Governor in Council to make regulations for the seizure and detention of any product under this act. The insertion of those lines will give authority for the Governor in Council, when recommending the regulations, to take into account the establishment of procedures for the review of any seizure and detention.

Perhaps it would be helpful to the Committee if I were to read the regulations from another act, in this case, the Fertilizer Act, that are, in fact, based on essentially the same kind of authority. Under that Act the detention regulations read as follows:

24. (1) Articles seized pursuant to section 7 of the Act may be detained by an inspector at any place at the risk and expense of the owner thereof by attaching a detention tag to the article or part thereof.

(2) Where articles are detained pursuant to subsection (1) an inspector shall deliver or mail to the owner or person in possession of the articles a notice of detention.

(3) No person shall alter or remove a detention tag referred to in subsection (1) or sell or move any detained article except with the written authority of an inspector.

(4) Where articles are released from detention an inspector shall deliver or mail to the owner or person in possession of the articles a notice of release.

(5) Any articles forfeited under section 7 of the Act may be disposed of in such manner as the Minister directs.

This would give the Department the authority, when recommending to the Governor in Council the regulations for seizure and detention, to take into consideration the representations that have been made by the industry manufacturing these products—some of the practical matters that would be involved if and when any product was seized and detained.

[Interpretation]

L'hon. M. Olson (ministre de l'Agriculture):
Je vous remercie, monsieur le président. Nous aimerions suggérer au Comité de modifier l'article 9, (5) a), en ajoutant ce qui suit à la ligne 22 après le mot «article»:

...L'établissement de procédures pour faire une revue de toute saisie et rétention...

C'est l'article qui autorise le gouverneur en conseil à faire des règlements pour la saisie ou rétention de tout produit antiparasitaire en vertu de cette loi. En ajoutant la phrase que j'ai mentionnée, le gouverneur en conseil serait autorisé à tenir compte, pour la recommandation des règlements, de l'établissement de procédures pour la revue de toute saisie ou rétention.

Le Comité aimerait peut-être que je lui lise les règlements qui sont contenus dans une autre loi, la Loi sur les engrais chimiques, et qui sont fondés sur le même genre d'autorité. Dans cette loi, les règlements sur la rétention se lisent comme il suit:

24. (1) Un inspecteur peut retenir en tout lieu, aux risques et aux frais de leur propriétaire, les articles saisis en vertu de l'article 7 de la Loi, en attachant audit article ou à l'une de ses parties une étiquette de rétention.

(2) Lorsque des articles sont retenus en vertu du paragraphe (1), un inspecteur remettra ou enverra au propriétaire ou à la personne qui était en possession desdits articles un avis de rétention.

(3) Nul ne modifiera ou ne retirera une étiquette de rétention telle que mentionnée au paragraphe (1), ou ne vendra ou ne déplacera un article retenu, sans l'autorisation par écrit d'un inspecteur.

(4) Lorsque les articles seront déchargés de la rétention, un inspecteur remettra ou enverra au propriétaire ou à la personne qui était en possession desdits articles un avis de décharge.

(5) On peut disposer de tout article confisqué en vertu de l'article 7 de la Loi de la manière prescrite par le Ministre.

Cela donnerait au ministère la faculté, au moment de recommander le règlement sur les saisies et retenues au Gouverneur en conseil, de tenir compte des représentations faites par les fabricants de ces produits, soit quelques-unes des dispositions pratiques à considérer lors de la saisie et la rétention d'un produit.

[Texte]

I hope, therefore, Mr. Chairman, that the Committee will be disposed to accept this amendment. We believe it will give us the authority to take these representations from the industry into account in the regulations for the seizure and detention of products.

The Chairman: Thank you, Mr. Olson. I am sure there will be some discussion.

I have Mr. Douglas and Mr. Danforth. I will recognize Mr. Douglas.

Mr. Douglas: I wish to move the amendment as worded by the Minister of Agriculture, Mr. Chairman.

In the main, it will meet the objections that the Committee had to there not being some sort of an appeal available to the owners of these chemicals.

The Chairman: It has been moved by Mr. Douglas that the amendment suggested by the Minister be inserted in Subclause 5 of Clause 9. Mr. Danforth?

Mr. Danforth: Mr. Chairman, I am not quite prepared to accept the ruling of counsel that the amendment was out of order. It did deal with the expenditure of public funds, but the wording of this amendment states that an independent body will be set up, and this could be made up of members of the departments as well as people from outside. Therefore, it is very questionable, in my mind, that it is dealing with funds. Before I support this amendment I would like to have further undertakings from the Minister in this regard. The Regulations say, "The Governor in Council may make...". They do not say "shall make". This makes all the differences in the world in a section such as this.

● 0955

As the Minister has stated, in a review of this Committee's proceedings the Governor in Council may not feel on the basis of the interpretation of these proceedings, that is it expedient or necessary to establish such a regulation; and because it is the feeling of the Committee that in a democratic way a right of appeal should be established I would like some undertaking by the Minister, or by members of the Department, that such a regulation will be incorporated.

I am very well aware that once Parliament deals with this Bill and accepts the principle contained in it we have very little recourse to regulations which are inserted at a later date and are policed by the government representatives.

The only way we can deal with these regulations is to have the matter brought once more before the Committee.

[Interprétation]

J'espère que le comité voudrait bien accepter cette modification. Nous croyons en effet que cela nous donnerait le pouvoir—comme je l'ai déjà dit—de tenir compte dans les règlements des représentations faites par les fabricants.

Le président: La discussion est ouverte. M. Douglas et M. Danforth. Monsieur Douglas le premier.

M. Douglas: Monsieur le président, je voudrais mettre aux voix l'amendement tel qu'exprimé par le ministre de l'Agriculture. On doit cependant prévoir une procédure d'appel pour les fabricants.

Le président: Il est proposé par M. Douglas que l'amendement suggéré par le ministre soit inscrit au paragraphe 5 de l'article 9. Monsieur Danforth?

M. Danforth: Je ne suis pas tout à fait prêt à accepter la décision du Conseil selon laquelle l'amendement est irrecevable s'il est lié aux dépenses publiques, sa lettre établit cependant qu'un organisme indépendant sera créé, pouvant être aussi bien constitué de membres du ministère que de personnalités extérieures. J'ai donc des doutes sur le bien-fondé des objections formulées, et avant de donner mon appui j'aimerais avoir quelques assurances complémentaires de la part du ministre. «Le gouverneur en conseil peut prendre des dispositions», lit-on dans les règlements, qui ne spécifient pas qu'il «doit». Cela fait toute la différence du monde.

Comme l'a dit le ministre lors d'une révision des délibérations du Conseil, le gouverneur en conseil, selon l'interprétation qu'il donne à ses débats, peut ou non établir certains règlements. Et comme le Comité est d'avis que pour agir de façon démocratique, il devrait y avoir un droit d'appel, j'aimerais que le ministre ou les membres de son cabinet nous donnent l'assurance qu'une telle disposition sera incluse dans la loi. Je sais bien en effet que lorsque le Parlement acceptera le principe de ce bill, nous n'aurons presque pas de recours envers les clauses insérées plus tard par les représentants du gouvernement. La seule façon de faire serait d'ouvrir encore une fois le débat devant le Comité. Il est donc très important que le sujet soit entièrement clarifié avant que le Comité ne soit appelé à voter sur l'amendement particulier proposé par le ministre.

[Text]

Therefore, think it is very important that we have this matter entirely clarified before the Committee is asked to vote on the particular amendment proposed by the Minister at this time.

The Chairman: Thank you, Mr. Danforth. Are there further questions?

Mr. Olson, do you have a comment?

Mr. Olson: Mr. Chairman, in reply to Mr. Danforth I would tell him as positively as I can, relative to his apprehension about the word "may", that we intend to make regulations to deal with those things that are mentioned in Subclause (5) of Clause 9.

For example, we fully intend to recommend—in fact, there is no question in my mind at all—that we make regulations about the detention of any controlled product seized, and also, if the amendment is accepted, for the establishment of procedures for the review of any seizure and detention and for regulations on the procedures for the destruction and disposition of any controlled product forfeited under this section.

The Chairman: Mr. Danforth?

Mr. Danforth: Mr. Chairman, I am perfectly prepared to accept the Minister's undertaking in this, but we are well aware that ministers do change from time to time. The Minister has said that the government will. Has the government any objection to accepting an amendment to the effect that the Governor in Council "shall" make regulations?

Mr. Olson: There is a problem here because "shall" make regulations will of course, be mandatory on certain portions of the two paragraphs (a) and (b). The regulations that I have read relative to the Fertilizers Act were of course, on the basis that the Governor in Council "may" make regulations and we could get into having to make regulations there.

Mr. Williams may wish to comment on this, but the word "may" is standard practice so that the regulations can be made—and indeed will be made—within the latitude we need. If it is "shall" there may be dispute on whether or not the regulations do, in fact, cover every single word in the two paragraphs following.

Mr. Korchinski: Mr. Chairman, can we not incorporate Mr. Olson's intention without having it appended to, or amending, paragraph (a), as a separate amendment, so that we can use the word "shall" and not leave it rather doubtful?

[Interpretation]

Le président: Est-ce qu'il y a d'autres questions? Monsieur Olson, avez-vous un commentaire?

M. Olson: En réponse à M. Danforth, je vais lui dire aussi nettement que possible que s'il a des craintes au sujet des termes «peut faire des règlements», nous avons bien l'intention d'établir des règlements sur les questions mentionnées au paragraphe 5 de l'article 9. Par exemple, nous avons fermement l'intention d'établir des règlements au sujet de la rétention de produits saisis d'après la Loi et aussi, si l'amendement est accepté sur l'établissement de procédure de révision de tout produit saisi ou retenu autant qu'au sujet de la procédure de destruction de produits saisis d'après la Loi.

Le président: Monsieur Danforth?

M. Danforth: Je suis tout à fait disposé à accepter la promesse du ministre mais nous savons bien que les ministres changent de temps en temps. Puisque le ministre vient de dire que le gouvernement le fera, est-ce qu'on aurait des objections à accepter une modification à l'effet que le gouverneur en Conseil «devra» établir des règlements?

M. Olson: Il se pose ici un problème du fait que les termes «fera des recommandations» imposant une obligation au sujet de certaines parties des alinéas a) et b); les règlements que je viens de vous lire au sujet des engrais vont dans le même sens. C'est-à-dire que le gouverneur général en Conseil «peut» faire des règlements. M. Williams aurait peut-être un commentaire; le mot «peut» est normalement utilisé, tant et si bien que les règlements peuvent être faits, et le seront, en effet, dans les limites de nos besoins.

M. Korchinski: Monsieur le président, est-ce qu'on ne peut pas faire autrement, adopter un amendement séparé afin que nous puissions utiliser le mot «peut» tout en ne restant pas dans le doute?

[Texte]

The Chairman: The question, Mr. Olson, is whether the word "shall" could apply to paragraph (a) without applying to paragraph (b).

Is that your question, Mr. Korchinski?

Mr. Korchinski: No, that was not my question. I was suggesting that you might have another look and so draft the amendment that the present suggestion that the Governor in Council "may" make regulations would apply as the amendment is now set out but perhaps as a separate and specific subclause (6)?

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The Chairman: Which amendment is it?

Mr. Korchinski: That the Governor in Council "shall"...

The Chairman: To which amendment do you refer?

Mr. Korchinski: I am referring to the amendment that the Minister has proposed.

The Chairman: Right.

Mr. Korchinski: Perhaps that would solve both problems. The suggestion the Minister makes is perhaps acceptable except for the fact that it leaves a doubt.

Mr. Olson: Mr. Chairman, with great respect, I really do not see any problem, because we have given an undertaking that we intend to make regulations under the authority here respecting seizure and detention. With that undertaking and with all of the precedents, in using the word "may" there, I do not know how we can be any more positive that we are going to make regulations. I do not think that "may" or "shall" makes very much difference there.

The Chairman: Mr. Pringle.

Mr. Pringle: It is surprising what a lawyer can do with such things. Just a small point, Mr. Chairman. Bill No. C-155, Clause 4 reads:

The Governor in Council may make regulations
and in Bill No. C-154, Clause 4 reads:

The Governor in Council may make regulations...
and in this bill, No. C-157, it says in Clause (5):

The Governor in Council may make regulations...

Is there any specific reason why this particular bill should be changed when we have carried the others which say "may make regulations" and which seems to be a wording

[Interprétation]

Le président: Monsieur le ministre, est-ce que le mot «doit» peut s'appliquer à l'alinéa a) sans s'appliquer à l'alinéa b)? Est-ce là votre question, monsieur Korchinski?

Mr. Korchinski: Non, ce n'est pas ma question. Est-ce qu'il n'y a pas une autre manière d'agir? Est-ce qu'on ne peut pas rédiger la modification de façon à ce que la proposition voulant que le gouverneur en conseil «peut» établir des règlements constitue un paragraphe distinct, le paragraphe (6)?

Le président: De quelle modification s'agit-il?

Mr. Korchinski: Que le gouverneur en conseil «doit».

Le président: Quelle modification?

Mr. Korchinski: Celle que le ministre a proposée.

Le président: Bien.

Mr. Korchinski: Peut-être que cela réglerait les deux problèmes à la fois. Je trouve la proposition du ministre acceptable en principe, sauf qu'elle laisse planer un doute.

Mr. Olson: Monsieur le président, je ne pense pas qu'il y ait de problème, en toute déférence. Nous avons l'intention de faire des règlements en ce qui concerne la saisie et la rétention. Étant donné cet engagement et les précédents, même si j'ai employé le mot «peut», je ne vois pas que je puisse affirmer davantage nos intentions. Je ne pense pas qu'il y ait de problème.

Le président: Monsieur Pringle.

Mr. Pringle: Vous seriez surpris de voir ce que peuvent faire les avocats avec ces mots. Le bill C-155, article 4 dit: «Le gouverneur en conseil *peut* faire des règlements». Et dans le bill C-154, article 4, on lit: «Le gouverneur en conseil *peut* faire des règlements». Et dans le bill C-157, on dit: «Le gouverneur en conseil *peut* établir des règlements». Est-ce qu'il y a une raison pour laquelle on devrait modifier ce bill alors que les autres Bills ont été adoptés tels quels. On pourrait utiliser les mêmes expressions plutôt que de faire des difficultés.

[Text]

that is accepted? I think we should carry on with the same wording, rather than confuse the issue.

The Chairman: Mr. Williams has a comment.

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): Mr. Chairman, while I would not wish to give a legal interpretation of this matter, it is my understanding that the word "may" is used because the word "shall" would in fact be no stronger, and might result in an obligation to put in unnecessary regulations on matters that would not really need to be regulated at that time.

In other words, if it were to be "shall" the Governor in Council could, obviously, pass regulations on this subject that in fact were basically harmless regulations in order just to simply comply with it. "May" on the other hand would mean that he would not have to pass regulations, as members have pointed out here, but the Governor in Council would only pass regulations when there was a need and presumably regulations that would be functional regulations. It is my understanding, at least, that "may" is always used and "shall" is never used, the reason being that even if it were "shall" if it was considered desirable to do so, it could be circumvented by the nature of the regulations that would be passed.

The Chairman: Are there other questions?

Mr. Korchinski: My only comment at the moment then is simply to state what I stated when we first started in these Committees, and that is that often when we pass a bill, when we do not have the regulations before us, we really do not know what the effects of such regulations will be. Whether that suggestion was ignored or not, I do not know, but perhaps in the future—I do not know if it would complicate the hearings or whether there would be a delay—it might be helpful in any future consideration, to avoid a situation such as this, if we were to have an idea of what the regulations might be before we proceed with the consideration of the entire bill, particularly where it refers to regulations.

Mr. Olson: Mr. Chairman, I have just read the regulations respecting the Fertilizers Act and this was passed in exactly the same way. Of course, my response to Mr. Korchinski has to be that we need the act passed by Parliament before you set up the administrative regulations. We need that authority to proceed before we do make these regulations to

[Interpretation]

Le président: Monsieur Williams.

M. S. B. Williams (sous-ministre, ministère de l'Agriculture): Monsieur le président, je ne voudrais pas donner une interprétation légale de ces termes. Mais on utilise le mot «peut» parce que le mot «devra» sans être plus fort impliquerait l'obligation de faire des règlements pour des questions qui n'ont pas besoin de règlements à ce moment-là.

En d'autres termes, si on emploie le mot «devra», le gouverneur en conseil pourra faire des règlements qui seraient inoffensifs, simplement pour s'y conformer. D'autre part, si on utilise le mot «peut», il ne sera pas obligé d'établir des règlements, mais le gouverneur en conseil adopterait des règlements lorsque le besoin s'en ferait sentir, donc des règlements pratiques. De la façon dont je vois les choses, c'est que le mot «peut» est toujours utilisé alors qu'on n'emploie jamais «devra» parce que même si on emploie le mot «devra», on pourrait se dérober par la nature des règlements adoptés.

Le président: D'autres questions?

M. Korchinski: Je veux simplement répéter ce que j'ai dit quand le Comité a commencé à siéger. Assez souvent lorsque nous adoptons un projet de loi et que nous n'avons pas les règlements sous les yeux, nous ne savons pas exactement quelles sont les conséquences des règlements en cause. Je ne sais pas si on a tenu compte de cette suggestion. Peut-être que non, je n'en sais rien. Je ne tiens pas à compliquer les choses ou à retarder les séances, mais je crois que ce serait peut-être utile, à l'avenir, d'éviter une telle situation, si nous pouvions autant que possible, avoir une idée de la portée des règlements avant de commencer à étudier un projet de loi, surtout lorsqu'il traite des Règlements.

M. Olson: Monsieur le président, je viens de lire les règlements de la *Loi sur les engrais chimiques* qui a été adoptée exactement de la même façon. Évidemment, ma réponse à M. Korchinski est qu'il faut que la Loi soit adoptée par le Parlement avant qu'on puisse commencer à énoncer les règlements. Il nous faut cette autorité avant de commencer à faire ces

[Texte]

give administrative effect to what Parliament has, in fact, passed. I suppose it has been that way ever since Parliament began functioning.

Mr. Korchinski: That may be so, but the point is this: at least we do not have to accept the regulations, but at least we would have an idea of what may be included in those regulations. We have amended and changed quite a few things over the years, and just because it was done in the past is no reason why we should continue in that in fashion.

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Mr. Olson: Regulations will be published and hon. members will have an opportunity to see them and if the regulations do not comply with the authority that was given in the act, then of course they can lodge, what I consider to be, a legitimate complaint against that. However, it will be our purpose to make sure that the regulations do give the administrative effect to the authority that was granted by the House of Commons in passing the act.

Mr. Danforth: Mr. Chairman, I fail to see why the government has difficulty in granting the Committee's wish that an appeal procedure be set up, when in Bill No. C-154 we have an entire section dealing with the machinery of appeal. There was no difficulty there nor did the various regulations interfere in any way with the granting of public funds. It was left to the Governor in Council to set up the machinery and there was no problem involved.

Yet, where we have an entire industry involved, it seems that suddenly there is a major problem in setting up machinery for appeal. This is causing me considerable concern at this time as to why it is possible to incorporate it in one bill yet not feasible to establish it in another. If you turn to page 7, Bill No. C-155, you will find an entire section dealing with appeals.

The Chairman: Mr. Douglas you may proceed and then Mr. Williams has a comment.

Mr. Douglas: My comment is this: Mr. Danforth, I think, is presuming to speak for the Committee when he says that the Committee wants to have an appeal board. It is true that there was an amendment proposed, but it has never been voted on. It is not fair for him to say that the Committee has decided it wants an appeal section in there and that the government is trying to turn this down, because in my book we have not yet made any such decision.

[Interprétation]

règlements qui établissent les suites administratives à ce que le Parlement a adopté. C'est ainsi qu'on a toujours procédé depuis la création du Parlement.

M. Korchinski: Oui, mais au moins, nous n'avons pas besoin d'accepter les règlements sans avoir au moins une idée de ce que l'on met dans le règlement. Nous avons amendé et modifié bien des choses au cours des années, et le fait qu'on l'ait fait il y a cent ans ne justifie pas qu'on le fasse aujourd'hui.

M. Olson: Les Règlements seront publiés et les honorables députés pourront les lire, et s'ils ne sont pas conformes à l'autorité donnée par la loi, les députés pourront présenter un grief légitime. Mais notre responsabilité est de voir à ce que les Règlements établissent les suites administratives au pouvoir donné par la Chambre des communes par l'adoption d'une loi.

M. Danforth: Monsieur le président, je ne vois pas pourquoi le gouvernement a des difficultés à réaliser les vœux du Comité qui demande qu'on établisse une procédure d'appel, alors qu'au Bill C-154, il y a tout un article qui traite du mécanisme d'appel. Il n'y avait pas de problème dans ce cas et les règlements n'ont jamais nuit à l'affectation des fonds publics. Le gouverneur en conseil a dû établir le mécanisme et il n'y a jamais eu de problème.

Mais lorsque toute une industrie est en cause, il semble que tout à coup, il y a un problème insurmontable pour établir un mécanisme d'appel. Je m'inquiète beaucoup en ce moment de ce qu'il est possible de l'incorporer dans un projet de loi alors qu'il est impossible de le faire pour un autre? Si vous prenez la page 7 du projet de loi C-155, vous voyez que tout un article traite de la question des appels.

Le président: M. Douglas et ensuite M. Williams.

M. Douglas: J'ai un commentaire à faire. Je pense que M. Danforth a l'impression qu'il parle au nom du Comité lorsqu'il dit que le Comité veut établir un mécanisme d'appels. C'est vrai qu'un amendement a été proposé, mais personne n'a voté. Je pense que ce n'est pas juste de dire que le Comité désire une procédure d'appel et que c'est le gouvernement qui refuse. Nous n'avons jamais pris une pareille décision, d'après mes notes.

[Text]

Mr. Southam: Mr. Chairman, may I speak to that? As far as Mr. Douglas' remarks are concerned, I think the very fact that the Minister and the Chairman of our Committee have come in here this morning ready to compromise on this motion of Mr. Horner in itself designated the fact, without any argument, that we are interested in something along this line, and I think the debate now is as to how these regulations should be set up. I feel that we have this right. After all, I am a little concerned even with the decision made by the law officers of the Crown. I have every respect for Dr. Ollivier and I know, having been around here for some time, that he makes a lot of wise decisions, but I was always under the impression that it was only a private member's bill from the Opposition that would be turned down on the matter of economics.

Here we are, a Committee made up of members of all parties of the House, trying to develop legislation and I think that even if an amendment like this comes from the Opposition, provided it is a worthy one and gets the consensus of the whole Committee, we should have a right to insert these amendments.

The Chairman: Thank you, Mr. Southam. I will recognize one other questioner and then I will call on Mr. Williams for his comment. Mr. Whicher.

Mr. Whicher: The reason that I am against an appeal was stated during our previous discussion on this bill, and that is that there is no need for an appeal board. When the witnesses were before us a week or so ago it was definitely stated by them that there have been only two instances in the last two years where a product had been "red tagged" and they admitted their mistake. There is just no reason why we should have an appeal board, as far as I am concerned.

The Chairman: Thank you, Mr. Whicher. Mr. Williams.

Mr. Williams: Mr. Chairman, I just wish to answer very briefly the question that was raised by Mr. Danforth in respect of why we have an appeal procedure in one case and not in another case. The basic reason why the department presented the legislation to the government in this manner was that in one case—that is to say, the bill dealing with compensation—the appeal is about a matter which one could expect to be of reasonably common knowledge. That is to say, there would be many people with competence to rule on the value of livestock. A formal appeal procedure against registration of a pesticide, I think we have pointed out, would

[Interpretation]

M. Southam: Au sujet de la remarque de M. Douglas, le fait même que le ministre et le président du Comité soient prêts à accepter un compromis sur la motion de M. Horner, montre, sans aucun doute, qu'on s'intéresse à quelque chose dans cet ordre de pensée. Le débat consiste à savoir exactement comment il faut édicter les règlements. Nous avons le droit d'en discuter. Je m'inquiète même un peu de la décision des juristes de la Couronne. Avec tout le respect que j'ai pour M. Ollivier, dont je connais les décisions parfois très sage, j'ai toujours eu l'impression qu'il s'agissait seulement d'un projet de loi d'un député de l'Opposition qui serait rejeté sur des questions d'économique.

Mais nous sommes un Comité composé de tous les partis de la Chambre qui essaie de mettre au point des mesures législatives, et je pense que, même si un amendement comme celui-ci vient de l'Opposition, s'il est valable et accepté par le reste du Comité, il pourrait être reconnu par le Comité.

Le président: Merci, M. Southam. Une autre question avant de passer à M. Williams. M. Whicher.

M. Whicher: La raison pour laquelle je m'oppose à ce droit d'appel, comme je l'ai dit, c'est qu'il n'y a pas lieu d'avoir un appel. Il y a à peu près une semaine, des témoins sont venus témoigner devant nous qu'il n'y avait eu que deux cas en deux ans de rétention d'un produit, encore que, de leur propre aveu, il y avait eu une erreur de leur part. Il n'est pas nécessaire d'avoir une procédure d'appel, à mon avis.

Le président: Merci. Monsieur Williams.

M. Williams: Je voudrais reprendre la question soulevée par M. Danforth, à savoir pourquoi il y a une procédure d'appel dans un cas et pas dans l'autre. La raison fondamentale pour laquelle le ministère a présenté les mesures législatives ainsi au gouvernement est que dans le cas du bill sur l'indemnisation, l'appel vise une question dont le public en général est au courant. Autrement dit, beaucoup de gens par exemple, auraient la compétence voulue pour établir la valeur du bétail. Une procédure d'appel contre l'enregistrement de produits antiparasitaires, comme nous l'avons dit, exigerait l'établissement d'un groupe technique en dehors du

[Texte]

require the establishment of a technical group outside of the Department of Agriculture, the Department of National Health and Welfare, the Department of Forestry and Rural Development and the various other departments that are concerned in this evaluation. It was our feeling that such an arrangement would be not only cumbersome, but costly as well.

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The applicants have every opportunity to present their entire case to the technical people and it is the technical people who make these judgments as to whether or not there should be registration. They are not administrative judgments in the accepted sense of the word.

Mr. Danforth: May I speak on this statement? I think that we dealt with this before. I do not think it is the intent of the amendment to deal with the registration aspect of this bill. I feel that the compensation and the granting of a licence for a specific chemical product is of too serious a nature for us to deal with the appeal procedures in that regard. I am quite prepared to accept the mechanics of verifying these materials before they are registered, rather than that.

My desire for an appeal is not based on the registration at all, but on the other undertakings of the act where an inspector, if something is not just quite packaged, stored or distributed to his complete satisfaction or if there are other minor infringements of the Act, does have the power to curtail the distribution. These are the sources of contention as far as I am concerned; not the basic registration itself.

The Chairman: Mr. Williams, do you have a comment?

Mr. Williams: No, but I thank Mr. Danforth very much for making that clear. It was my understanding that the original amendment covered all aspects of the Bill and not simply the question of detention because it was related to an earlier position in this Bill. Having said that, the point I wish to emphasize is that we believe that in respect of this detention a formal outside review procedure or appeal procedure would probably lengthen it rather than curtail it; that we have in this an obligation on the inspector to release this product as soon as it conforms to the law.

We have tried to write this into the legislation under Clause 9 (2):

9. (1) Whenever an inspector believes on reasonable grounds that this Act or the regulations have been violated he may

[Interprétation]

ministère de l'Agriculture, du ministère de la Santé et du Bien-être, du ministère des Forêts et du Développement rural, et des autres ministères qui sont intéressés à cette évaluation. Nous avions conclu que cet arrangement serait non seulement lourd mais également coûteux.

Les requérants ont toutes les occasions voulues de présenter leurs instances aux techniciens qui prennent les décisions quant aux enregistrements. Mais ce ne sont pas des décisions d'ordre administratif dans le sens courant du mot.

Mr. Danforth: Je pense que nous avons déjà traité de ce sujet. Je ne crois pas que ce soit dans l'intention de l'amendement de traiter de l'aspect des enregistrements de ce projet de loi. L'indemnisation et l'octroi d'un permis pour un produit chimique sont des questions trop sérieuses pour que nous abordions le problème de la procédure d'appel à leur égard. Je suis prêt à accepter plutôt le mécanisme de vérification de ces produits avant leur enregistrement.

Mon appui du droit d'appel n'est pas basé sur l'enregistrement du tout, mais sur les autres procédures aux termes de loi, par exemple si un inspecteur voit que quelque chose n'est pas emballé, entreposé ou distribué à son entière satisfaction ou s'il y a d'autres légères infractions à la loi, l'inspecteur a le pouvoir d'interdire la distribution; voilà ce qui m'inquiète et pas du tout l'enregistrement de base.

Le président: Monsieur Williams, avez-vous des commentaires?

M. Williams: Non, je remercie M. Danforth d'avoir précisé sa pensée. Je pensais que l'amendement original couvrirait tous les aspects du projet de loi, et non pas seulement la question de rétention, une position à ce sujet ayant déjà été prise un peu plus tôt d'après le texte du projet de loi. Mais je tiens à insister sur un point. Le voici: nous estimons qu'à cet égard, une procédure d'appel ou de révision extérieure allongerait la procédure au lieu de l'empêcher. Nous y voyons donc une obligation pour l'inspecteur de prononcer la main levée sitôt constatée la conformité des produits aux prescriptions légales.

C'est ce que nous avons essayé d'inclure dans le texte de loi à l'article 9 (2):

9. (1) Chaque fois qu'un inspecteur croit, en se fondant sur des motifs raisonnables, qu'il y a eu contravention à la présente

[Text]

seize and detain the control product by means of or in relation to which he reasonably believes the violation was committed.

(2) Any control product seized . . . and so forth under that "shall", you will note; not "may".

. . . shall not be detained after (a) in the opinion of an inspector the provisions of this Act and the regulations have been complied with,

We tried to have the Department of Justice write it so that there would be a legal obligation on the inspector to release this as quickly as possible. We believe that this provision, along with the appeal procedure or the review procedure that has been established if the inspector is not performing in a manner satisfactory to the person who has the commodity under detention, will be more effective and more rapid than an outside appeal procedure.

Mr. Douglas: Could we have the question, Mr. Chairman?

Mr. Danforth: Just a moment, Mr. Chairman. If I may I would like to ask a couple more supplementary questions. I feel this is too important just to call the second question on it.

I am perfectly prepared to accept the explanation given by Mr. Williams, but we still get back to the statement by the Minister—I believe although I am paraphrasing I am stating the intent of the Minister's statement earlier on—when he said that in writing the regulations there is no doubt that the deliberations of the Committee will be taken into consideration; but that to me does not state that we are going to have an undertaking that such a regulation will be incorporated.

This is my problem. I feel that as a Committee we want to be perfectly fair in every respect to both parties affected by this particular Bill, and this is why I am insistent that there be to my satisfaction incorporation of procedures which will make it a fact that a company does have a right to appeal from an arbitrary decision by a single individual regardless of his ability in the acting of his duties. There is always the position of a clash of personalities or some other outside influences and I feel that this is a protection for the inspection staff as well as a protection for the companies involved.

[Interpretation]

loi ou aux règlements, il peut saisir et retenir le produit antiparasitaire lorsqu'il a des raisons de croire que la contravention a été commise au moyen de ce produit ou à son sujet.

(2) Un produit antiparasitaire saisi . . . ainsi de suite jusqu'à «doit» et non pas «peut».

ne doit plus être retenu (a) dès que, de l'avis d'un inspecteur, les dispositions de la présente loi et des règlements ont été observés.

Il y aura de la sorte une obligation légale pour l'inspecteur d'appliquer la main levée aussi rapidement que possible.

Nous estimons que, conjointement à la procédure d'appel ou de révision qui aura été établie, si l'inspecteur n'instrumente pas de manière satisfaisante aux yeux de la personne saisie, cette disposition sera plus efficace et plus rapide que toute procédure d'appel extérieure.

M. Douglas: Puis-je prendre la parole, monsieur le président?

M. Danforth: Un instant, monsieur le président. J'aimerais, si c'est possible, poser une ou deux questions supplémentaires—il me semble que c'est une question trop importante pour qu'on n'y revienne pas—je suis tout à fait disposé à accepter l'explication donnée par M. Williams, mais nous revenons toujours à la déclaration que le ministre a faite, et même si je ne le cite pas mot à mot, je suis certain de traduire sa pensée alors qu'il disait un peu plus tôt que dans l'établissement de ce règlement les délibérations du Comité seront sans aucun doute prises en considération. Toutefois, cela ne nous donne pas, selon moi, l'assurance qu'elles seront incluses.

Voilà mon problème. J'estime que, comme comité, nous voulons être absolument justes à l'égard de toutes les parties en cause dans ce projet de loi. C'est pourquoi j'insiste pour que soient prévus des procédures établissant qu'une compagnie a le droit d'en appeler d'une décision arbitraire prise par un seul individu, quelle que soit sa compétence dans l'exercice de ses fonctions. Car il arrive toujours des conflits de personnalités ou des influences extérieures, et j'estime que c'est là une protection pour le personnel d'inspection aussi bien que pour la compagnie en cause.

[Texte]

● 1015

Although, as has been pointed out, there were only perhaps two instances in the last two years, the complexity of the chemicals is increasing each and every year and we have no guarantee that there might not be 10 instances next year. I firmly believe we are all trying to make as good a bill as possible because it may well be in effect for the next 20 years. I think the onus is on us to make just as good a bill as possible at the Committee stage. I do not want to belabour this, Mr. Chairman, but I feel very strongly about this particular section.

The Chairman: Would some further assurance or reassurance by the Minister be helpful at this particular time?

Mr. Olson: Mr. Chairman, I tried as positively as I could to indicate that we are going to propose regulations for the establishment of procedures for review of any seizure and detention under this Bill. All I could do now is repeat that that is the intention.

The Chairman: Mr. Foster.

Mr. Foster: Mr. Chairman, I think this is a reasonable amendment.

It does not appear that we need an appeal board immediately if there have been only a couple of groups of chemicals which have been red-ticketed. It does not seem to be an immediate problem, but we are writing in the regulations a provision for an appeal board if and when this is needed in the future. I think this is a reasonable amendment and I do not see why we do not consider this question now. We have had a pretty good discussion on it.

M. La Salle: Une question supplémentaire.

Le président: Monsieur La Salle.

M. La Salle: J'ai une question supplémentaire à poser dans le but de me convaincre moi-même. On a dit la semaine dernière que le ministre avait laissé entendre que les compagnies auraient un droit d'appel; si tel est le cas, je voudrais savoir pourquoi le ministre refuse de l'inclure dans le Règlement?

● 1018

Mr. Olson: I do not recall that I said that. I said that the company and anyone else who feels that he is aggrieved by the decision can

[Interprétation]

Bien que, comme on l'a souligné, deux cas seulement se soient présentés pendant les deux dernières années, la complexité des produits chimiques augmente chaque année, et rien ne nous prouve qu'il n'y aura pas dix causes de ce genre l'an prochain. Naturellement, je reconnais que nous essayons d'avoir une loi aussi bonne que possible, étant donné qu'elle pourrait bien rester en vigueur durant les vingt prochaines années. C'est pourquoi il nous incombe la mise au point d'un projet de loi aussi juste que possible au moment de l'étude en comité. Je ne veux pas m'étendre trop longtemps là-dessus, monsieur le président, mais ce point m'importe beaucoup.

Le président: Peut-être que le ministre pourrait donner une nouvelle assurance à ce propos?

M. Olson: Monsieur le président, j'ai essayé autant que possible de montrer que nous allions proposer des règlements visant à l'établissement de procédures de révision de toute saisie ou retenue faite aux termes de la présente loi, et tout ce que je peux faire c'est de répéter que c'est bien là notre intention.

Le président: M. Foster.

M. Foster: Monsieur le président, je pense qu'il s'agit là d'un amendement raisonnable.

Il n'apparaît pas que nous ayons besoin d'une commission d'appel dans l'immédiat, dès lors qu'une ou deux firmes de produits chimiques seulement se sont mérité l'étiquette rouge. Cela ne me semble donc pas un problème immédiat. Nous inscrivons toutefois dans les règlements une clause prévoyant l'instauration d'une commission d'appel au moment où cela s'avérera ultérieurement nécessaire. Je répète que cela me semble là un amendement raisonnable, et je ne vois pas pourquoi on ne l'étudierait pas dès maintenant.

Mr. LaSalle: A supplementary question.

The Chairman: Mr. LaSalle.

Mr. LaSalle: Just a supplementary question to convince myself. I remember last week it was said that the Minister had said that the companies would have a right of appeal. If that is the case, I would like to know why the Minister refuses to include it in the Regulations?

M. Olson: Je ne me rappelle pas l'avoir dit. J'ai dit qu'une compagnie ou quiconque se sentant lésé par la décision prise, peut en

[Text]

appeal to the Minister with respect to anything that any one of the inspectors may do. The amendment suggested by Mr. Danforth does not fit exactly with that. The amendment there calls for the setting up of an independent board and makes it mandatory that this be done, and we are suggesting that we can amend this clause by including the provision for the establishment of procedures for the review of any seizure and detention.

I think the undertaking I gave is all included in the amendment being suggested.

The Chairman: Gentlemen, I do not want to limit discussion. The question has been called. I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, I am not going to speak at length on this at this time. I appreciate that the Committee wants to reach a decision, but I would like to make two things clear. First, I have no quarrel with the wording of this amendment as proposed and with its insertion in this particular place. I have no quarrel with this amendment. I am perfectly prepared to accept the intent of that amendment. My only concern is the fact that whether or not the amendment will be carried out, and in what manner it may be carried out are left entirely to the discretion of the Governor in Council. I want to make absolutely clear that I have no quarrel with this whatsoever.

Secondly, what I would like at this time, with your indulgence, Mr. Chairman, is to enquire of the Minister what steps will be necessary and what delay incurred should the Governor in Council, in his discretion by virtue of the word "may", not make such a regulation. What steps would be necessary should it be felt that we need such a regulation in order to see that this shall be done?

• 1020

The Chairman: Mr. Minister?

Mr. Olson: I am advised that this can be done in a very short time, in two or three days, and submitted to the Governor in Council whenever the conditions are such that there need to be changes in the review procedure. But what I pointed out some time ago is that officials of this Department have received, and will receive, further recommendations, if you like, from the industry.

But as far as the practical application of some kind of review procedure is concerned, we want to take that into account as well concerning the products that may be seized and detained.

[Interpretation]

appeler au ministre à l'égard de tout agissement d'un inspecteur. Mais, ce que demande M. Danforth, n'est pas tout à fait conforme à l'amendement que vous avez. Il propose la création d'une commission indépendante et de caractère obligatoire, alors que nous, nous suggérons d'amender l'article en prévoyant le recours à des procédures de révision de toute saisie. J'estime que l'assurance que j'ai donnée à ce propos est entièrement contenue dans l'amendement tel que proposé.

Le président: Messieurs, je ne veux pas limiter le débat. M. Danforth a la parole.

M. Danforth: Monsieur le président, je ne vais pas m'étendre sur cette question. Je comprends que le comité veuille prendre une décision, mais il faut bien éclaircir deux points. Premièrement, je n'ai rien à redire à la phraséologie de l'amendement, tel que proposé, ni à son insertion à cet endroit. Je n'ai pas d'objections, et je suis prêt à en accepter l'intention; mon seul souci est le fait que son application est entièrement laissée à la discrétion du gouverneur en conseil. Je désire qu'il soit bien clair que je n'ai rien à redire moi-même là-dessus.

Mais, pour l'instant, avec votre permission, Monsieur le Président, je voudrais demander au ministre quelles démarches seront nécessaires et quels retards encourus si le gouverneur en conseil, qui a les pouvoirs discrétionnaires en vertu de l'utilisation du mot: «peut», n'adopte pas une telle réglementation? Et est-ce qu'il faudra avoir d'autres règlements pour veiller à ce que cela soit fait?

Le président: M. le ministre?

M. Olson: On peut procéder dans un très bref délai, deux ou trois jours—on peut soumettre un règlement au gouverneur en conseil lorsque les conditions exigent que l'on fasse une modification à la procédure des révisions. Mais ce que j'ai signalé il y a quelque temps, c'est que les hauts fonctionnaires de ce ministère ont reçu et recevront des recommandations de la part de l'industrie. Mais en autant qu'une application pratique d'une procédure de révision est concernée, nous en tiendrons compte tout autant que les produits qui peuvent être saisis et détenus.

[Texte]

Mr. Korchinski: I just want to make this comment, Mr. Chairman. There has been argument presented here that since there were only two cases in the last two years, therefore we do not need this appeal. To argue that way would be to argue against the need for this entire bill.

In every case where the chemical has been "red tagged", they should have the right to be able to have the appeal. This is all I am suggesting. To suggest that we do not have to have an appeal because there were only two cases is no argument at all, because if that is a valid argument, then why are we considering this bill?

Mr. Olson: I do not think that we said that there were only two cases in all of Canada. I was not here when the witness that you are talking about was heré. I think what he was saying was that in his company operations there were only two. I think there were substantially more than that throughout Canada.

I do not know what further I can say, Mr. Chairman. We have given the undertaking that we intend to propose regulations dealing with seizure and detention, and, indeed, for the review of any seizure and detention.

What the other amendment called for was the setting up of a board—an independent board—outside of the technical people who would be involved by this Department and several other Departments who have an interest, and that we are not prepared to accept. But we are prepared to make sure that there is a procedure whereby anyone who feels aggrieved at the decision of one inspector may have that case reviewed by the Minister or the senior officers in the Department.

The Chairman: I recognize Mr. Cobbe.

Mr. Cobbe: Mr. Chairman, there were numerous figures of complaints that had come about but I think the most important thing when the witnesses were here was that they had received 100 per cent co-operation from people in the Department, and that they were

[Interprétation]

M. Korchinski: Simplement un commentaire, monsieur le président. On invoque ici l'argument voulant que seulement deux cas d'appel se sont présentés au cours des deux dernières années, on n'ait pas besoin de tribunal d'appel. A ce moment-là, peut-être qu'on pourrait invoquer le même argument contre tout le projet de loi, si c'est l'argument que vous allez invoquer pour ne pas constituer une commission d'appel. Je vous dirai que ça ne veut pas dire que les choses vont continuer de la même façon, et, l'on s'attend à cela, le projet de loi n'a pas sa raison d'être, on pourrait tout simplement s'en passer.

Si dans chaque cas où un produit chimique a été banni, on pouvait avoir une commission d'appel, ce serait l'essentiel. Insinuer que nous n'avons pas besoin d'avoir un tribunal d'appel parce qu'il y a eu seulement deux causes qui se sont présentées au cours des deux dernières années, n'est pas un bon argument parce qu'à ce moment-là, on a tout simplement qu'à mettre au rancart tout le projet de loi.

M. Olson: Je ne crois pas avoir dit qu'il n'y avait eu que deux causes dans tout le Canada. Je n'étais pas ici lorsque le témoin dont vous parlez a témoigner devant vous. Il a dit que dans sa société, sa compagnie, il y a eu seulement deux causes mais je pense qu'il y en a eu beaucoup plus à travers tout le Canada.

Je ne sais pas ce que je peux ajouter de plus, monsieur le président, nous avons donné l'engagement que nous avions l'intention de proposer les règlements concernant la saisie et la détention et en vérité, visant l'établissement de procédures pour la révision de toute saisie ou détention.

Ce que demandait l'autre amendement, c'était l'établissement d'une commission indépendante extérieure, c'est-à-dire composée de personnes autres que les personnes qui s'occupent de l'aspect technique, qui serait composée de gens qui font partie de ce ministère ou d'autres ministères intéressés et nous ne sommes pas prêts à l'accepter. Nous sommes prêts à veiller à ce qu'il y ait une procédure en vertu de laquelle quiconque se sent lésé par la décision d'un inspecteur peut faire reviser sa cause par le ministre ou par les officiers supérieurs du ministère.

Le président: Monsieur Cobbe.

M. Cobbe: Monsieur le président, plusieurs témoins ont formulé des plaintes mais l'aspect le plus important c'est qu'ils avaient reçu la coopération à 100 p. 100 des membres du ministère et ils étaient très satisfaits des résultats de leur collaboration avec le minis-

[Text]

totally happy with the results that had occurred. And this is why I feel that the board at this time is not necessary.

The Chairman: I think I should, for the benefit of the Committee, make one little clarification, and that is that the reference of the witness a week ago to there being only two cases in two years or five years—whatever the case might have been—had to do with “red tagging”. Now, surely we agreed that the bill does go much further than just dealing with the “red tagging” of a particular chemical. On an occasion it does regulate the manufacture, and so on.

Now, the question was called, are you ready for the question?

Mr. Danforth: One more question, then I will give way to the Committee's wishes. In his explanation of the procedures, should the regulation not meet with the approval of the companies involved and/or the government, the Minister stated that he was advised it is a matter of two or three days.

What I would like to clarify for my own benefit is, when he speaks of two or three days, supposing a representation is made by the industry that the way such a regulation is written, or because such a regulation is omitted, that a particular hardship has occurred. We have been given the information that it is a matter of two or three days for a change of this regulation.

• 1025

My concern is, does it require formal amendment of the bill, or is it a matter of just departmental procedure where such regulation may be changed, and if such, is it submitted solely to the approval of the Governor in Council? I am interested in the actual mechanics involved, because I am interested in the time-factor.

Mr. Olson: What I said, Mr. Chairman, was that it was physically possible to amend regulations within two or three days, that providing that the Department and the Department of Justice, of course, have to be consulted. But it was physically possible, providing the Department and the Department of Justice were convinced that a regulation ought to be changed. That is the two or three day limitation that was involved.

In practical terms I suppose it would take somewhat longer than that for representation

[Interpretation]

rière. C'est pourquoi je pense que dans le moment, il n'est pas nécessaire d'avoir une cour d'appel.

Le président: Dans l'intérêt des membres du Comité, je pourrais peut-être préciser certaines choses. Il y a une semaine, des témoins ont dit que seulement deux causes dans l'espace de deux ans ou cinq ans se sont présentées quant à des réclamations. Ceci avait trait aux étiquettes rouges, mais je pense que le projet de loi va beaucoup plus loin que l'apposition des étiquettes rouges sur certains produits chimiques. On s'occupe aussi des manufacturiers.

Maintenant, êtes-vous prêts à passer à la mise aux voix?

M. Danforth: Encore un commentaire, ensuite je me conformerai au désir du Comité. Dans ses explications, de la procédure, le ministre n'a-t-il pas précisé que le règlement ne devrait pas être approuvé par les compagnies intéressées et ou le gouvernement. Le ministre a dit qu'on lui avait fait savoir que c'était une question de deux ou trois jours.

Alors, je voudrais préciser que pour moi, lorsqu'il parle de deux ou trois jours en supposant que certaines suggestions soient présentées par l'industrie sur le texte de tel règlement ou sur l'omission de tel règlement, qu'un tort précis a été subi. On nous dit alors qu'on peut changer le règlement dans l'espace de deux ou trois jours.

Ce qui m'inquiète, c'est de savoir s'il faut amender officiellement le projet de loi ou s'il s'agit tout simplement de prendre une procédure ministérielle par laquelle on peut changer le règlement. Dans ce dernier cas, est-ce qu'un changement est soumis seulement à l'approbation du gouverneur en conseil? Ce qui m'intéresse, c'est en fait le mécanisme du changement parce que le facteur temps me semble important.

M. Olson: Je vous ai dit que c'était matériellement possible de faire des modifications dans l'espace de deux ou trois jours, ceci à condition que mon ministère et que le ministère de la Justice évidemment soient consultés. J'ai dit que c'était possible à condition que le ministère et le ministère de la Justice soient convaincus qu'un règlement doit être changé. Et c'est pourquoi j'impose la limite de deux ou trois jours.

Maintenant, pratiquement parlant, j' imagine que ce serait beaucoup plus long. Il faut

[Texte]

to be received by the Department from the industry outlining their views on a regulation that is not meeting the requirements, taking into account justice and procedures and that sort of thing. But that two or three days that I am talking about is the actual time-lapse that would be taken from the time that we had written out the new regulation and sent it to the Governor in Council.

Mr. Danforth: But it does require formal action by Parliament, except...

Mr. Olson: No.

Mr. Danforth: This is the point I am getting at.

Mr. Olson: Unless the procedures that you lay out in the Act are so rigid that we do not have the authority to make those changes. Then, of course, it could. If the regulations clause was too rigid and we found that something practical needed to be done but was prohibited under the authority in the regulations clause, then of course we would have to come back to Parliament.

Mr. Danforth: Then, according to your explanation, Mr. Minister, there is the power of the Governor in Council, without a formal application of amendment, to make a change in the regulations as set out. But if the Department is not of the opinion that such a regulation should be changed, even at the insistence of the industry, then under those conditions the only recourse the industry would have would be to Parliament, and a formal amendment would then be undertaken. Am I not correct?

Mr. Olson: No, I do not think that is the only way. I think that the industry could make representation to the Minister and, as quite often happens also, they make representation to a Member of Parliament who takes that to the Minister. That has happened quite a number of times.

The Chairman: Thank you, gentlemen. I will ask the Minister to read the amendment as proposed and then I will ask you to vote on the question. Mr. Minister, would you read the proposed amendment?

Mr. Olson: The amendment that has been moved by Mr. Douglas, I believe, would insert the following words after line 20—between line 20 and line 21—and then the amended paragraph (a) would read as follows:

[Interprétation]

draît attendre les représentations, l'industrie enverrait ces dernières au ministère en exposant ses idées au sujet d'un règlement qui ne se conforme pas aux exigences, tenant compte de la justice, de la procédure, etc. Mais les deux ou trois jours que je mentionne, c'est en fait le délai qu'il faut compter une fois le nouveau règlement rédigé et envoyé au gouverneur en conseil.

M. Danforth: Mais le Parlement doit agir officiellement, sauf...

M. Olson: Non.

M. Danforth: C'est là où je veux en venir.

M. Olson: A moins que les procédures que vous énoncez dans la loi soient tellement rigides que nous n'ayons pas autorité pour faire ces changements. A ce moment-là, oui, c'est bien possible, par exemple si l'article visant les règlements était trop rigide et qu'on s'apercevait qu'il faut faire quelque chose de pratique, mais que les règlements l'interdisent, il faudrait à ce moment-là s'adresser au Parlement.

M. Danforth: Selon votre explication, monsieur le ministre, le gouverneur en conseil, sans demande officielle d'amendement, a le pouvoir de modifier un règlement tel que celui-ci est établi. Mais si le ministère n'est pas d'avis que tel règlement doit être modifié, même si l'industrie insiste, le dernier recours de l'industrie serait de s'adresser au Parlement et de faire adopter un amendement officiel, n'est-ce pas?

M. Olson: Non, je pense que l'industrie pourrait faire des instances auprès du ministre et, comme ça arrive bien souvent, pourrait aussi faire des représentations auprès d'un député qui pourrait lui-même s'adresser à un ministre. C'est arrivé à bien des reprises.

Le président: Merci, Messieurs, je vais demander au ministre de lire l'amendement tel que proposé, ensuite je vous demanderais de passer au vote et de vous prononcer sur la question. Monsieur le ministre, voulez-vous lire l'amendement s'il vous plaît?

M. Olson: L'amendement proposé par M. Douglas, je crois, nous ferait insérer les mots suivants après la ligne 20, entre la ligne 20 et la ligne 21. L'alinéa a) modifié se lirait comme suit:

[Text]

(a) respecting the detention of any control products seized under this section, the establishment of procedures for the review of any seizure and detention and the payment of any reasonable costs incidental to such seizure or detention, and for preserving or safeguarding any control product so detained; and

The new words are: the establishment of procedures for the review of any seizure and detention... The same words as at the end of paragraph (a).

The Chairman: All those in favour of the amendment as presented, please signify? Will you put your hands up and hold them until counted, please. The amendment is accepted unanimously.

Clauses 9 and 10 carried.

On clause 11—Certificate of analyst.

The Chairman: Mr. Danforth, I recognize you now.

Mr. Danforth: Mr. Chairman, I have some concern with respect to Clause 11(1) where it says:

...in the absence of any evidence to the contrary is proof of the statements contained in the certificate without proof of the signature or the official character of the person appearing to have signed the certificate.

I am quite concerned over why it was felt necessary that this be implemented where there has been no challenge of the signature on the certificate or of the character of the person who signed the certificate. It seems to me it is wide open in this regard.

I am perfectly aware that this may subsequently be challenged in court, but I wonder why it was necessary to allow for that leeway in this particular subclause?

Mr. Olson: Mr. Phillips?

The Chairman: Mr. Phillips?

Mr. Phillips: Mr. Chairman, I would first like to check on the question. Is it with regard to the words "official character"?

Mr. Danforth: There does not have to be any proof of the signature on the certificate or any proof of the authority of the person who signed it. The inclusion of this rather amazes me.

[Interpretation]

concernant la rétention de tout produit antiparasitaire saisi en vertu du présent article, l'établissement de procédures pour la révision de toute saisie ou détention et le paiement de tous frais raisonnables afférents à une telle saisie ou rétention et concernant la conservation ou la préservation de tout produit antiparasitaire ainsi retenu; et...

Les nouveaux mots sont: l'établissement de procédures pour la révision de toute saisie ou rétention...

Le président: Ceux qui sont en faveur de l'amendement tel que proposé sont priés de le faire savoir. Voulez-vous lever la main et la tenir en l'air jusqu'à ce qu'on ait fait le compte? L'amendement est accepté à l'unanimité.

L'article 9 est adopté.

L'article 10 est adopté.

Article 11, Certificat d'analyste.

Le président: Monsieur Danforth, je vous cède la parole.

M. Danforth: Monsieur le président, l'article 11 (1) m'inquiète un peu. On y dit:

...en l'absence de toute preuve contraire, fait preuve des déclarations contenues dans le certificat sans qu'il soit nécessaire de faire la preuve de la signature de la personne par laquelle il paraît avoir été signé ni de la qualité officielle de cette personne.

Je me demande pourquoi l'on a estimé nécessaire d'appliquer cette disposition lorsque nul n'a contesté la valeur de la signature apposée au certificat ni la qualité officielle de la personne qui a signé. Il me semble que c'est un peu trop large.

Je me rends parfaitement compte qu'on peut contester de pareilles choses devant les tribunaux, mais pourquoi laisser autant de latitude dans ce paragraphe-là?

M. Olson: Monsieur Phillips?

Le président: Monsieur Phillips?

M. Phillips: Monsieur le président, je voudrais d'abord m'assurer au sujet des mots «qualité officielle».

M. Danforth: Il n'est pas nécessaire de faire la preuve de la signature ou de la qualité ou de la capacité de la personne qui signe le certificat. Cela me surprend plutôt.

[Texte]

Mr. Phillips: If that is the question, Mr. Chairman, it states that this is acceptable in the absence of any evidence to the contrary and therefore if you go back to the appointment provision in the Act you will see that in any case it is incumbent on the defendant to prove that the man was not an official analyst, that he was not qualified or that the Minister had named an analyst who was not qualified. The defendant must prove that there was something wrong with the analyst before the evidence would be accepted in court.

Mr. Olson: You will also note, Mr. Chairman, that under subclause (2) of the bill the analyst may be called before the court to testify. I presume the interrogation in the first instance would be to establish his competence.

Mr. Danforth: This does not completely answer my question, Mr. Chairman. In the event of a legal action or an action against a corporate body, why when such evidence is presented by an analyst—and it is probably done on request—ample proof of the ability of the analyst does not accompany the submission of this evidence, as well as a certificate verifying his signature. You cannot even cash a cheque in a bank without proof of your signature. It says here that unless an injured party takes formal court action, the evidence which is submitted by an analyst is accepted in total without any question. This gives me some concern. As I stated before it seems to be wide open. Why should it be written into the proposed Act in this way? It does not make sense to me.

The Chairman: Mr. Phillips? Mr. Minister?

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Mr. Olson: Mr. Chairman, Clause 6 states that the Minister may designate any qualified person. It speaks of a "qualified person". Therefore, when we get to the admissibility of evidence—and that is what is being dealt with in Clause 11—it means that a certificate signed by a person who has been designated by the Minister as a qualified person shall be admitted as evidence unless it is challenged. If it is challenged there are procedures in Clause 11(2) for calling that analyst before the court and cross-examining him.

The Chairman: Mr. Lessard?

Mr. Lessard (Lac-Saint-Jean): That is my point, Mr. Chairman. Clause 11(1) contains the words "in the absence of any evidence to the contrary". I think this is the point. If as a

[Interprétation]

M. Phillips: Monsieur le président, si c'est là votre question, on dit que c'est acceptable en l'absence de toute preuve contraire et, par conséquent, c'est à la défense de faire la preuve que la personne n'était pas un analyste qualifié, que le ministre avait nommé un analyste non compétent, si on remonte à l'article de la loi qui traite de la nomination. Il faut que le défendeur prouve que l'analyste n'est pas compétent pour que la preuve soit acceptable en cour.

M. Olson: Au paragraphe 2 du projet de loi, on dit que l'analyste peut être appelé à témoigner devant les tribunaux et l'interrogatoire consisterait en une preuve de sa compétence.

M. Danforth: Cela ne répond pas complètement à ma question, monsieur le président. Il s'agit d'une action intentée contre une société, et je me demande pourquoi, lorsque l'on demande à un analyste de témoigner, son témoignage ne comporte pas une preuve complète de sa compétence et l'attestation de sa signature. On ne peut même pas encaisser un chèque à la banque sans le signer et, à moins que la partie lésée n'intente une action, on accepte d'emblée la compétence de l'analyste. Cela m'inquiète un peu, comme je l'ai déjà dit. La porte me semble grande ouverte. Pourquoi la loi est-elle rédigée en ce sens? Cela n'a aucun sens pour moi.

Le président: Monsieur Phillips? Monsieur le ministre?

M. Olson: Monsieur le président, à l'article 6, on dit que le ministre peut désigner toute personne compétente. Par conséquent, à l'article 11, on parle de l'admissibilité de la preuve. On parle des certificats signés par une personne désignée par le ministre comme personne compétente. On accepte cette preuve à moins qu'elle ne soit mise en doute. Et, à l'article 11 2), on dit qu'on peut exiger la présence d'un analyste pour contre-interrogatoire.

Le président: Monsieur Lessard?

M. Lessard (Lac-Saint-Jean): L'article 11(1) contient les mots «en l'absence de toute preuve contraire». C'est exactement le point important. S'il y a des preuves au sujet de

[Text]

result of the examination of the analyst, there is evidence to the contrary, that evidence will have to be taken into consideration. If there is no evidence and only objections, it will be accepted.

Mr. Danforth: That means he is guilty until he is proven innocent.

Mr. Olson: No, it does not mean that at all; it means the opposite.

The Chairman: Order, please. I recognize Mr. Korchinsky.

Mr. Korchinsky: I wonder if by way of clarification the Minister could indicate who might be chosen in such a case? Where would they get an analysis made? Could you give us an idea what steps the Department would take and who might be relied upon to do it.

The Chairman: Mr. Phillips will answer the question.

Mr. Phillips: Dealing with the analysis, Mr. Chairman, before an action is taken under the current Act there is requirement for analysis by official analysts. It states that the analyst who is designated by the Minister must be qualified. Where people are not employed under the Public Service Employment Act we require a formal designation by the Minister. In certain cases commercial analysts are hired by the Department. In those cases the Minister has to indicate that they are designated for this purpose.

With respect to the earlier point, the situation is that the analyst or the Department, if you will, in presenting the case is innocent of any wrong doing unless they can prove the contrary. In other words, the analyst is qualified and the signature is there. It eliminates frivolous delays in proceedings.

Mr. Korchinsky: This does not necessarily mean that it will be an analyst who is presently employed by any government department?

Mr. Phillips: It could be the Department of Agriculture, some other department or a commercial analyst hired under contract. In the latter case, or in the case of another department, it requires designation by the Minister to show that he had authority to act under this Act in the analysis of pest control products.

[Interpretation]

l'incompétence de l'analyste ou de l'inspecteur, la preuve devrait être prise en considération, mais s'il n'y a pas de preuve et seulement des objections, alors on l'accepterait.

M. Danforth: Cela veut dire que la personne est considérée comme coupable jusqu'à ce qu'on prouve le contraire.

M. Olson: C'est tout le contraire.

Le président: A l'ordre. M. Korchinski.

M. Korchinski: Est-ce que le ministre pourrait nous dire quelles sont les personnes que l'on choisirait. Qui pourrait faire l'analyse. Donnez-nous une idée de ce que fait le ministère en pareil cas.

Le président: Monsieur Phillips va répondre.

M. Phillips: Avant que des procédures soient intentées en vertu de cette loi, une analyse doit être faite par les analystes de l'État. On dit que l'analyste désigné par le ministre doit être compétent et nous exigeons une nomination précise par le ministre pour que les personnes qui travaillent dans la fonction publique soient formellement désignées par le ministre.

Il y a des cas où le ministère engage un analyste privé. Dans ces cas, le ministre doit indiquer que cette personne a été nommée spécialement. Et de fait, voici la situation: l'analyste ou le ministère, lorsqu'il présente son cas, est considéré comme innocent à moins qu'il n'y ait preuve du contraire. En d'autres termes, si l'analyste est compétent et la signature est là, cela empêche des délais inutiles dans la procédure.

M. Korchinski: Cela ne veut pas dire nécessairement que l'analyste doit être une personne qui travaille à la fonction publique?

M. Phillips: Il peut travailler pour le compte du ministère de l'Agriculture, d'autres ministères, ou pour son propre compte. Mais, dans ce dernier cas ou dans le cas d'un analyste d'un autre ministère, il doit être désigné par le ministre, et avoir l'autorité d'agir en vertu de la loi pour faire l'analyse de ces produits anti-parasitaires.

[Texte]

Mr. Howard (Okanagan-Boundary): Mr. Chairman, in this kind of situation this procedure must be either standard or not standard. Could we have some comment on this?

Mr. Olson: I am advised that it is a standard legal requirement.

Mr. Howard (Okanaga-Boundary): This answers the question, does it not?

Mr. Olson: Yes.

Mr. Howard (Okanagan-Boundary): If this procedure works in other situations of this kind, surely it must be satisfactory in this case.

The Chairman: Thank you, Mr. Howard. Mr. Danforth?

• 1040

Mr. Danforth: I am prepared to accept that it is standard procedure, but I believe there is variation in this instance because of the very contention that we have just raised in the Committee over the right to appeal. Unless it is a court action, as set out in subclause (2) of this particular clause, or an appeal set up under a prescribed regulation as indicated by the Minister and where there is an appeal against an inspector or an analyst, the onus is not only on the part of the company to prove that they are the injured party but they must also submit evidence as to the competence of the person involved or, as in subclause (1), accept "without proof of the signature or the official character of the person appearing to have signed the certificate" the entire submission by such a person.

This is what makes me have some reservations about this entire proposition where we have an appeal. In an appeal the company not only has to prove that they are injured but they have to prove the competence or incompetence of the person causing the grievance. I do not think that this is the intention of the bill, I do not think it is the intent of the department or the government, and this is why I question whether there is not some other way that subclause (1) could have been constructed without adding this particular aspect to it.

Mr. Moore (Wetaskiwin): I just want to point out, and I could be wrong, that what subclause (1) actually says is that a certificate is proof of the statements contained in the certificate—nothing else. This statement does not make too much sense to me. I am not a lawyer, but it says a certificate is proof of the statements contained in the certificate. Is this standard procedure?

[Interprétation]

M. Howard (Okanagan Boundary): Cette façon de procéder est-elle normale ou exceptionnelle? Pouvez-vous nous le dire?

M. Olson: C'est une condition ordinaire.

M. Howard (Okanagan Boundary): Cela répond à la question n'est-ce pas?

M. Olson: Oui.

M. Howard (Okanagan Boundary): Cette procédure s'applique dans d'autres situations semblables, et elle sera nécessairement satisfaisante dans le cas présent.

Le président: Monsieur Danforth.

M. Danforth: Dans le cas présent, il y a une variation à cause de l'objection que nous avons soulevé au sujet du droit d'appel, à moins qu'il n'y ait une cause en vertu de l'article 2, concernant un appel interjeté dans les conditions mentionnées par le ministre. Lorsqu'il y a un appel contre la décision d'un analyste ou d'un inspecteur, c'est non seulement à la compagnie qu'il revient de faire la preuve, mais les compagnies doivent prouver la compétence de la personne en cause ou, comme dans le sous-alinéa 1, accepter, sans preuve de signature, la qualité officielle de la personne désignée.

C'est là le point qui m'inquiète un peu dans toute cette proposition. Lorsqu'il y a un appel, la compagnie doit non seulement prouver qu'elle a été lésée mais aussi prouver la compétence ou l'incompétence de l'analyste. Je ne pense pas que ce soit là le but du Bill, ni du ministère, ni du gouvernement; c'est pour cela que je demande s'il n'y aurait pas moyen de rédiger le paragraphe (1) sans y ajouter cet aspect particulier.

M. Moore (Wetaskiwin): Je voudrais simplement faire remarquer que ce que dit en fait le paragraphe (1), c'est que le certificat atteste les déclarations qui y sont contenues, et rien de plus. Je ne comprends pas bien cette déclaration. Je ne suis pas avocat, mais on dit que le certificat constitue une preuve des déclarations qu'il contient. Est-ce la procédure habituelle?

[Text]

Mr. Olson: Remember, what we are talking about here is the admissibility of evidence and that is all.

Mr. Moore (Wetaskiwin): Yes, I realize that.

Mr. Olson: In the Feeds Act, 1960, it says this:

In a prosecution for a violation of this Act, a document purporting to be the certificate of an analyst shall be received in evidence, without proof of the signature of the person by whom it purports to be signed and without proof of his official position.

Now this goes even farther, where it says that we accept this in the absence of any evidence to the contrary.

Mr. Moore (Wetaskiwin): Yes, I accept all that.

Mr. Olson: It does not even say here "under this Act". So it seems to me that it is a standard procedure in so far as the admissibility of evidence is concerned, except that we have gone a little bit farther and said "in the absence of any evidence to the contrary."

Mr. Moore (Wetaskiwin): It just seems strange to me that they would make a statement saying a certificate is proof of the statements contained in the certificate. However, I will drop it.

Mr. Howard (Okanagan Boundary): I think the Minister made the point that I was going to make in respect of that phrase "in the absence of any evidence to the contrary". A defendant in such a situation would have the opportunity of presenting contrary evidence by one or more analysts who had other opinions on the subject. This is not some kind of a vague opinion, this is a matter of chemical analysis. Surely it is much more concrete than weighing somebody's opinion. It seems to me we are making a mountain out of a mole hill here. There is ample protection for somebody appealing against this decision in the phrase "in the absence of evidence to the contrary".

Mr. Olson: Mr. Chairman, I think perhaps we should clear up something in this connection. It seems to me that there is some misunderstanding about Clause 11. We are talking about evidence in a court, and what is involved in Clause 11 has to do with what is admitted as evidence in a court—the certificates and that sort of thing. This does not

[Interpretation]

M. Olson: Souvenez-vous que tout ce dont on veut parler ici, c'est de l'admissibilité des preuves, rien de plus.

M. Moore (Wetaskiwin): Oui, je le sais.

M. Olson: Dans la Loi de 1960, relative aux aliments du bétail, on dit:

Dans des poursuites pour violation de la présente loi, un document donné comme étant le certificat d'un analyste doit être reçu en preuve, sans établissement de la signature de la personne par qui le document est donné comme ayant été signé et sans établissement de son caractère officiel.

Ceci va encore plus loin, puisque l'on dit que l'on accepte le certificat en l'absence de toute preuve contraire.

M. Moore (Wetaskiwin): Oui, j'accepte tout cela.

M. Olson: On ne dit même pas ici «en vertu de la présente loi», donc cela me semble être la façon de procéder ordinaire, en ce qui concerne l'admissibilité des preuves sauf que nous sommes allés un peu plus loin en disant «en l'absence de toute preuve contraire».

M. Moore (Wetaskiwin): Il me semble étrange qu'on dise que le certificat sert de preuve de ce que ce certificat contient, mais je laisse tomber la question.

M. Howard (Okanagan Boundary): Le ministre a fait la réflexion que j'allais faire à l'égard de l'expression: «en l'absence de toute preuve contraire». Le défendeur dans cette situation aurait l'occasion de présenter des preuves contraires par un ou plusieurs analystes qui auraient un autre avis sur la question. Ce n'est pas une opinion vague; il s'agit d'une analyse chimique. Ce n'est pas une chose sur laquelle on puisse exprimer un avis. Il me semble que nous faisons une montagne d'un rien. Il y a suffisamment de protection pour le défendeur qui veut faire appel, dans cette expression «en l'absence de toute preuve contraire».

M. Olson: Monsieur le président, il y a un point à élucider ici. Il me semble que l'on ne comprend pas bien l'article 11. On parle de preuves devant un tribunal, et l'article 11 traite de ce qui est admissible comme preuve devant les tribunaux: certificats, etc. Cela ne concerne pas la preuve ni l'argument qu'on peut avancer ailleurs que devant un tribunal.

[Texte]

refer to argument or evidence that could be advanced other than in court. This is just simply the admissibility of a certificate as evidence in the court.

• 1045

The Chairman: I will recognize Mr. Pringle.

Mr. Pringle: Mr. Chairman, this has been very carefully designed by legal people, and I think it goes further than what we have been saying too. An analyst is engaged to do a job and I presume he would be engaged because he is an analyst. He completes his work and presents his report.

Any change to the Act, as suggested by Mr. Danforth, seems to me would require him not only to make the report but also to supply evidence that he is qualified to make this report. This involves additional cost and additional expense and, not only that, he may have to go to court and fight with a bunch of liars who are trying to do a job for a company over his own abilities. Now he is engaged as an analyst—he is certainly not picked up on the street—he does his job, he presents his report. If the people who are involved are not satisfied let them pay their liars to prove that he is not an analyst. I think it has been carefully designed this way and should be left the way it is.

The Chairman: Mr. Lessard, have you a supplementary?

M. Lessard (Lac-St-Jean) je voudrais faire un commentaire supplémentaire, monsieur le président. On dit, au tout début:

Sous réserve des exceptions du présent article...

et je me réfère au paragraphe (3) où il est bien dit que:

Aucun certificat ne doit être reçu en preuve en conformité du paragraphe (1), à moins que la partie qui a l'intention de le produire n'ait donné, avant le procès, à la partie contre laquelle elle a l'intention de le produire, un avis raisonnable de son intention, accompagné d'une copie du certificat.

Ceci donne le temps à la partie d'étudier ce certificat et de le contester, justement, en l'absence de toute preuve contraire. Justement, ils peuvent faire leur preuve contraire de la validité de ce certificat en s'appuyant sur le paragraphe (3).

[Interprétation]

Il s'agit seulement de l'admissibilité d'un certificat comme preuve devant un tribunal.

Le président: Monsieur Pringle?

M. Pringle: Monsieur le président, cela a été rédigé très soigneusement par des juristes, et va même plus loin que ce que nous avons dit. Un analyste est engagé pour faire un certain travail, et je suppose qu'on l'engage parce que c'est un analyste. Lorsqu'il a fini son travail, il fait son rapport.

Tout changement dans la Loi tel qu'en a proposé M. Danforth, obligerait l'analyste non seulement à faire son rapport, mais aussi à prouver qu'il a la compétence voulue pour faire un tel rapport. Cela entraîne un coût et des dépenses supplémentaires, et, de plus, il peut avoir à aller devant les tribunaux et à se battre avec une bande de menteurs qui essaient de favoriser une société aux dépens de sa compétence comme analyste. On l'a engagé comme analyste—ce n'est certainement pas une personne qu'on a prise dans la rue et il fait son travail et présente son rapport. Si les personnes intéressées ne sont pas satisfaites, qu'elles paient donc leurs menteurs pour prouver qu'il n'est pas un véritable analyste. Je pense que la loi a été rédigée soigneusement et qu'on devrait la laisser telle quelle.

Le président: Monsieur Lessard, avez-vous une question supplémentaire?

Mr. Lessard (Lac-Saint-Jean): I have a supplementary comment, Mr. Chairman. At the very beginning the following is stated:

subject to this section.

I am referring to subsection (3) which states the following:

No certificate shall be received in evidence pursuant to subsection (1) unless the party intending to produce it has, before the trial, given to the party against whom it is intended to be produced reasonable notice of such intention together with a copy of the certificate.

This gives time to the party to study this certificate and challenge it in the absence of any evidence to the contrary. As it is, they may submit evidence to the contrary regarding the validity of this certificate by referring to subsection (3).

[Text]

The Chairman: Thank you, Mr. Lessard. I will recognize Mr. Peters and then Mr. McKinley.

Mr. Pringle: A supplementary on that particular point, Mr. Chairman. There will be cases when the company or the person charged will also be able to hire an analyst and the analyst's report will be brought into court, and the protection of that particular analyst is provided for as well. In other words, I think they are trying to avoid two analysts getting into a legal case. They are trying to keep this between the complainant and the defendant.

The Chairman: Mr. Peters.

Mr. Peters: Mr. Chairman, as far as I am concerned, this is a small bill with not much significance, and I really have not changed my mind. However, I am surprised that the Liberal members particularly have to defend it, whether it is right or wrong, on a matter of principle.

I am particularly interested in the remarks that the Minister made when he referred back to the Feed Grains Act. Now if there was ever an Act that was a bad act he knows that was it. It was partly responsible for the development of the Bill of Rights. It had reached the epitome of what the civil servants could do: they could walk in, they could seize, they could destroy, they could eliminate, they could do everything, and there was absolutely no protection whatsoever. The Minister fought against many of the things in that act because it was the epitome of the Civil Service operating the law.

I am not sure whether or not there should be proof but surely when we hire somebody, no matter who he is, when he signs that certificate should put down his position and rank. I am not expecting that he put the Great Seal of Canada on it or something similar because he may be a hired analyst. I do not see any reason that he should not. Obviously, the reason he should not is so the department can go out and hire somebody else to give an analysis in court that will go against the analysis given the other liar, as Mr. Pringle has said, who was hired on the other side. You do not involve the Department in making the final decision. It is my opinion that this should not go to court. We are pretty stupid if we, as Members of Parliament, are drafting a bill only to set up a legal process involving the court.

[Interpretation]

Le président: Merci, monsieur Lessard. A vous, monsieur Peters. Puis ce sera le tour de M. McKinley.

M. Pringle: Une question supplémentaire, monsieur le président. Il y aura des cas où la société ou la personne accusée pourra aussi engager un analyste, dont le rapport sera produit devant le tribunal; or, la loi protège aussi la compétence de cet analyste. Autrement dit, je pense qu'on essaie d'éviter que deux analystes ne se dressent l'un contre l'autre devant un tribunal. On essaie de limiter l'affaire au plaignant et au défendeur.

Le président: Monsieur Peters.

M. Peters: Monsieur le président, pour moi, ce projet de loi n'a pas grande importance, et je n'ai absolument pas changé d'avis. Toutefois, je m'étonne de ce que les députés libéraux, en particulier, le défendent à tout prix, qu'il soit bon ou non, par principe.

Ce qui m'intéresse, entre autres, ce sont les observations faites par le ministre lorsqu'il a mentionné la Loi sur les aliments du bétail. Si jamais il y a eu une mauvaise loi, c'est bien celle-là. Elle a contribué à amener la Déclaration des droits de l'homme. Elle illustre très bien les pouvoirs exagérés des fonctionnaires, qui pouvaient pénétrer, confisquer, détruire, éliminer, tout faire, sans qu'il y eût aucune protection. Le ministre s'est battu contre bon nombre des dispositions de cette Loi, car elle illustre à merveille le fait que la Fonction publique fait la loi.

Je ne sais pas s'il devrait y avoir une preuve ou non, mais lorsque nous engageons une personne, quelle qu'elle soit, elle doit certainement, lorsqu'elle signe le certificat, donner ses titres de compétence. Il n'est pas nécessaire d'y mettre le Grand Sceau du Canada, mais je ne vois pas pourquoi il ne devrait pas donner ses titres de compétence. La raison en est, évidemment que le ministre peut alors engager un autre analyste pour donner au tribunal une analyse opposée à celle du premier, de l'autre menteur, comme l'a dit M. Pringle, engagé par l'autre partie. Ainsi, le ministère n'a pas à prendre la décision finale. A mon avis, cela ne devrait pas passer devant un tribunal. C'est un peu stupide qu'à titre de députés nous allions rédiger un projet de loi qui a pour seul objet d'établir une façon de procéder qui engage les tribunaux.

[Texte]

• 1050

We should set up a bill in such a way that a decision will be reached outside court in 99 out of 100 cases—there should be that one case where they can go to court. I see no reason for the department not taking the responsibility for the signature on this. This would be normal. The Department has relied on him in the first place; surely they are willing to give some credence to his evidence in court as well—otherwise we should not be using that fellow. I am surprised at some of the Liberals deciding that they have to defend this. It is a small point to me. It does not really matter. I just cannot see why the fellow has not signed it in the first place and why he has not marked down what his job is. I just do not see that.

When I sign a letter I put underneath "The Member of Parliament for Timiskaming." I do not expect that the Member from Chicoutimi is going to have to take responsibility for it until we get it in court. This is just a normal procedure. Frankly, I do not see why it is not here, and I am surprised at the Minister referring back to that other act because that was...

Mr. Olson: I am wondering if you are referring to the same act that I was referring to.

Mr. Peters: The feed grain act?

Mr. Olson: No, that is not the same one.

The Chairman: May I ask the Minister to reply to Mr. Peters' earlier point then.

Mr. Olson: Well, firstly, Mr. Chairman, I do not want to get into details about the act of 1960 or any other year. I think what we are talking about here, and I think we should make this clear, is the admissibility of evidence when a prosecution is under way. I hope that the percentage might even be higher than 99 per cent of settling these things without going to court.

• 1052

This is about the admissibility of evidence when a prosecution is under way, which is stated very, very clearly in Clause 11, subsection (1). There are many, many other sections of this act that deal with finding ways and means of controlling products used for pest control, where you can have a settlement other than going to court. But in the very, very few cases where we do have to go to

[Interprétation]

Le projet de loi devrait être conçu de façon que 99 p. 100 des cas puissent être réglés en dehors des tribunaux. Je ne vois pas pourquoi le ministère ne peut pas assurer la responsabilité de cette signature. Cela serait parfaitement normal. Si le ministère a fait confiance à l'analyste, il n'y a pas de raison qu'il ne croie pas aussi son témoignage devant le tribunal; sinon, il ne devrait pas employer la personne en question. Je m'étonne que certains libéraux se croient obligés de défendre cette mesure. Il me semble que c'est un point de détail, sans importance réelle. Je ne vois vraiment pas pourquoi l'analyste ne peut pas signer tout de suite le certificat et indiquer ses titres de compétence. Je ne comprends pas cela.

Lorsque je signe une lettre, j'indique au-dessous de mon nom «député de Timiskaming». Je ne m'attends pas à ce que le député de Chicoutimi en prenne la responsabilité jusqu'à ce que nous allions devant un tribunal. C'est simplement la façon normale de procéder, et je ne vois pas pourquoi cela n'est pas exposé dans le texte et je suis très surpris que le ministre mentionne cette autre loi, à cause...

M. Olson: Je me demande si vous pensez à la même Loi.

M. Peters: La Loi relative aux aliments du bétail?

M. Olson: Non, ce n'est pas la même.

Le président: Je demanderais à M. Olson de répondre à la première intervention, celle de M. Peters.

M. Olson: D'abord, monsieur le président, je ne veux pas entrer dans les détails, au sujet de la loi de 1960 ou de toute autre année. Ce dont nous parlons ici, et je crois que nous avons à le dire clairement, c'est l'admissibilité de la preuve lorsqu'il y a une cause devant les tribunaux. J'espère que le pourcentage serait même plus que 99 p. 100 des causes qui se règlent hors de cour.

Mais la loi est très claire. L'article 11 (1). Il y a beaucoup d'autres articles de la loi qui traitent des moyens par lesquels on peut contrôler les produits utilisés pour le contrôle des parasites, où on peut régler la question sans aller devant les tribunaux. Mais il y a un très petit nombre de causes où l'on doit plaider et nous avons besoin de règles de procédure devant les tribunaux sur la protection de la

[Text]

court, and where a prosecution has to be taken, then, of course, we need to have some rules for the procedure within that court, too, for the protection of the person aggrieved and for the reasonable and fair procedure in that court.

All that this says is that in the absence of any evidence to the contrary, these certificates will be admitted as evidence in the court. That does not say that the judge has to accept them. He can examine them, and indeed under subsection (2) it says:

The party against whom a certificate of an analyst is produced pursuant to subsection (1) may, with leave of the court, require the attendance of the analyst for the purposes of cross-examination.

It also says under subsection (3) of Clause 11 that the certificate must be given or presented to the party in advance. If you read it, it says:

No certificate shall be received in evidence pursuant to subsection (1) unless the party intending to produce it has, before the trial, given to the party against whom it is intended to be produced reasonable notice of such intention together with a copy of the certificate.

We are not talking in this clause about what we can do to settle disputes outside of court. We are talking about what happens in the very small number of cases, at least hopefully, that ever get to court, as to the admissibility of evidence when you are in a prosecution. That is stated clearly.

So I cannot accept the argument concerning this clause that something needs to be done for setting these things outside of court, because what we are talking about here is the procedure in the court and the admissibility of evidence in that position.

The Chairman: Mr. McKinley?

Mr. McKinley: Mr. Chairman, my thoughts are along the lines of Mr. Peters, and the words of the Minister have amplified them in the last few minutes, namely that it has to go to court. A case has to go to court to give the people against whom the certificate was produced an opportunity to find out the qualifications of the analyst. And, as we all know, and the Minister has stated, probably 99 per cent of these cases will be settled out of court.

[Interpretation]

personne lésée et pour que la procédure soit juste et équitable devant le tribunal.

Tout ce qu'on dit c'est qu'en l'absence de toute preuve contraire, les certificats sont admis comme preuve par le tribunal. Cela ne veut pas dire que le juge peut les accepter. Il peut les examiner et, en fait, l'article (2) dit:

La partie contre laquelle un certificat d'un analyste est produit en conformité du paragraphe (1) peut, avec l'autorisation du tribunal, exiger la présence de l'analyste pour contre-interrogatoire.

Aussi, à l'alinéa 3 de l'article 11, on dit:

Aucun certificat ne doit être reçu en preuve en conformité du paragraphe (1) à moins que la partie qui a l'intention de le produire n'ait donné avant le procès, à la partie contre laquelle elle a l'intention de le produire, un avis raisonnable de son intention, accompagné d'une copie du certificat.

Nous ne parlons pas dans cet article, de ce que nous pouvons faire pour régler les différends hors de cour. Nous parlons de ce qui se produit dans le très petit nombre de cas du moins nous l'espérons, qui se trouvent devant les tribunaux quant à l'admissibilité de la preuve lorsqu'il y a poursuites. Et cela est dit clairement.

Par conséquent, je ne peux pas accepter l'argument, en ce qui concerne cet article, qu'il faut avoir une procédure pour régler ces cas hors de cour, parce que ce dont nous parlons, c'est de la procédure devant les tribunaux et de l'admissibilité de la preuve dans cette position.

Le président: Monsieur McKinley?

M. McKinley: Monsieur le président, ma pensée s'apparente à celle de M. Peters et les propos du ministre l'ont accentués au cours des quelques dernières minutes, à savoir que la cause doit être entendue devant les tribunaux. Une cause doit être entendue devant les tribunaux pour donner à la partie lésée contre laquelle le certificat a été produit l'occasion de s'assurer de la compétence de l'analyste. Et nous savons tous, et le ministre vient de le dire, dans 99 p. 100 des cas, on règlera hors de cour.

[Texte]

• 1055

There is an understandable reason why, because these companies do not want a lot of publicity on some little mistake that they may have made some place along the line. But unless they do go to court, they have no way of finding out the official capacity of the analyst. And I think particularly they should have some statement of the qualification of the analyst along with the certificate.

They should not have to go to court to find this out. I think that is foolish, because you have stated yourself, 99 per cent and probably more of them, will be and are settled out of court. And I think it is to the advantage of everybody, including the government, that they be settled out of court.

Mr. Olson: Mr. Chairman, I am advised that there were 180 cases last year where the analysis indicated that it was not up to what was claimed, all of which were settled out of court. There was one case that was taken to court last year, and that involved false labelling.

Mr. McKinley: Maybe there would be fewer, or there might not even have been one that went to court, if they had, in the original instance, the statement of the qualification of the analyst. Would it not be common sense to do that?

The Chairman: Gentlemen, I think that the questioner would like to have the attention of the Committee, and now I think the Minister would like to make his reply at this time.

Mr. McKinley: I would just ask this question. What is the reason for not wanting to give that?

Mr. Olson: We do. We send them a certificate of the analysis, when it is not up to what is claimed on the package.

An hon. Member: A statement of the qualifications of the analyst. They all know, they all work together.

Mr. Olson: I am advised that they all know who does that. But with great respect, Mr. Chairman, we are not taken up, in Clause 11, with the exhaustive ways that the department goes to in order to settle these things out of court. What we are talking about in this clause, is the admissibility of a certificate of an analysis if it gets to court, and only if it gets to court.

An hon. Member: That is right, I agree with that.

[Interprétation]

Parce que ces compagnies ne veulent pas de publicité sur les petites erreurs qu'elles peuvent avoir faites, quelque part dans la fabrication de leurs produits. Mais, à moins d'aller devant les tribunaux, elles n'ont aucun droit de s'assurer de la capacité de l'analyste. Et je pense qu'ils devraient avoir une déclaration de la compétence de l'analyste avec le certificat.

Parce qu'ils ne devraient pas être obligés d'aller devant les tribunaux pour le savoir. Je trouve cela idiot, parce que, comme vous l'avez dit, dans 99 p. 100 des cas et probablement plus, on règlera hors de cour. Et je crois que c'est à l'avantage du gouvernement, et de tout le monde, de régler ces causes hors de cour.

M. Olson: Monsieur le président, on m'a informé que dans 180 cas, l'année dernière, l'analyse a indiqué que le produit n'était pas tel qu'on l'avait présenté, et que la plupart de ces cas ont été réglés hors de cour. Un seul cas a été contesté l'an dernier, et il s'agissait de fausses étiquettes.

M. McKinley: Il y en aurait peut-être moins ou peut-être qu'il n'y aurait même pas eu celui-là, s'ils avaient eu, en premier lieu, une déclaration concernant la compétence de l'analyste. Cela n'est-il pas sensé?

Le président: Messieurs, je vous demande de porter attention aux questions, et je crois que le ministre veut répondre maintenant.

M. McKinley: Une seule question. Pour quelle raison ne voulez-vous pas donner ce certificat?

M. Olson: Nous leur envoyons le certificat d'analyse, lorsque le produit n'est pas tel que représenté sur le paquet.

Une voix: Une déclaration concernant la compétence de l'analyste, tous le savent. Ils travaillent tous ensemble.

M. Molson: Tout le monde sait qui fait cette analyse. Mais, en toute déférence, monsieur le président, nous ne parlons pas dans l'article 11 de tous les moyens que prend le ministère pour régler ces questions, hors de cour. Nous parlons, dans cette disposition de l'admissibilité du certificat d'analyse, si la cause est devant les tribunaux, et seulement si elle est contestée.

Une voix: C'est exact, je suis d'accord.

[Text]

The Chairman: Mr. Danforth?

Mr. Danforth: Mr. Chairman, why I am so concerned about this particular thing is—and I am perfectly aware of the fact—that this deals with a court action and deals with evidence, and this particular clause deals with the evidence that is on the government or the departmental side. This action has been instituted against a corporation because an inspector has subjected a certain chemical for analysis.

And an analyst has made a decision or made an examination of a particular chemical, and has convinced the government that action should be taken on the basis of his analysis. May I ask this—does the government in entering a case, or creating a detention, does the government itself accept this evidence without proof of the signature of the analyst or being perfectly aware of his qualifications?

Mr. Olson: Clause 6 answers that question Mr. Chairman. The Minister shall or may designate only a qualified person.

Mr. Danforth: That deals with the qualified person. Do they accept the signature as being the signature of the analyst?

Mr. Olson: We certainly have many ways of dealing with fraud. If somebody other than the qualified person signed it, that is fraud.

Mr. Danforth: The department has brought about a certain action against a corporation on the basis of an analysis submitted by an analyst in a written report. And my question is—does the government accept the signature on that without question, and does the government then verify the qualifications of the analyst in making the prosecution or making the determined action against the corporation?

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Mr. Olson: The minister should, and I would say must, satisfy himself that the person is qualified before he designates him as an analyst.

Mr. Danforth: What I am getting at, Mr. Chairman, is the fact that that proof must be there to satisfy the government. Therefore why is it not appended to the analysis so that it is available at this particular time?

Mr. Olson: There is no question, Mr. Chairman, that that would be taken into account and would be available. What we are talking about is the situation where the admissibility

[Interpretation]

Le président: Monsieur Danforth?

M. Danforth: Monsieur le président, la raison pour laquelle je m'inquiète de cette chose, et j'en suis bien conscient, c'est qu'il s'agit de procédures légales et de preuves, et cette clause traite de la preuve du côté du gouvernement. Cette cause a été intentée contre une corporation parce qu'un analyste a analysé un certain produit chimique.

Et un analyste a pris une décision ou a fait un examen, d'un produit chimique quelconque et a convaincu le ministère que l'on devrait poursuivre la compagnie sur la preuve de son analyse. Puis-je demander ceci? ... lorsque le gouvernement fait une retenue ou entreprend des procédures, est-ce que le gouvernement lui-même accepte cette évidence sans preuve de la signature de l'analyste ou sans preuve de sa compétence?

M. Olson: L'article 6 répond à cette question, monsieur le président. Le Ministre peut désigner toute personne compétente.

M. Danforth: Est-ce qu'on accepte la signature comme étant celle de l'analyste?

M. Olson: Nous avons beaucoup de moyens d'agir s'il s'agit d'une signature frauduleuse.

M. Danforth: Le ministère a intenté des procédures contre une compagnie sur la preuve du rapport écrit de l'analyste. Est-ce que le gouvernement accepte la signature sur ce rapport, sans question? Est-ce que le gouvernement vérifie la compétence de l'analyste avant d'intenter des procédures ou avant de prendre action contre la compagnie?

M. Olson: Le ministre doit être satisfait personnellement que la personne est compétente avant de la nommer comme analyste.

M. Danforth: Là, où je veux en venir, monsieur le président, c'est que cette preuve doit exister à la satisfaction du gouvernement. Pourquoi alors les titres de compétence de l'analyste ne sont-ils pas ajoutés au rapport?

M. Olson: Sans doute, monsieur le président, on en tiendrait compte. Ce dont nous parlons, c'est d'une situation où on peut mettre en doute l'admissibilité de la preuve, en

[Texte]

of evidence may be challenged in the absence of any evidence to the contrary, in order to do away with frivolous delay in court proceedings and that sort of thing.

As I said, with great respect, that is all that Clause 11 deals with.

And furthermore, I have to remind the Committee again, Mr. Chairman, that subsection (2) provides that that person may be called before the court to testify. And included in that testimony at the request of the defendant, certainly the interrogation would deal with his competence, if there was any evidence whatever, as is stated in subsection (1), to the contrary. And, furthermore, section (3) says that that certificate and the name and so on shall be presented to the defendant before the court proceedings. It seems to me that all the necessary procedures are, in fact, provided for a defendant to make his defence if he has any evidence whatever to contradict the validity of the certificate.

The Chairman: Mr. Peters?

Mr. Peters: May I ask a supplementary question? I am unaware of it, but is it the intention of the Department when an appeal is made to this section and when it is put into the Court—

Mr. Olson: There is no appeal.

Mr. Peters: It is an appeal if you put it into the Court. When it goes into the Court is it the desire of the Department in their presentation of evidence not to depend entirely on this as their analytic report, but to be able to put in a supplementary or a secondary analytic report on this particular chemical without totally depending on the original analysis? There must be some reason the Department wants this; maybe we are not getting that.

The Chairman: Mr. Phillips will comment.

Mr. C. R. Phillips (Director-General, Production & Marketing Branch, Department of Agriculture): I think it might be helpful to give a review of what happens in the examination of a product and what we go through in the examination before it ever reaches a state of Court. In the first instance, samples are taken; if the analyst finds something wrong he must analyse at least once more to confirm his results; he has confirmed to his satisfaction the results; the certificate is sent out; the violation is of such nature that it would affect the usefulness of the product; the product is detained; the certificate is

[Interprétation]

l'absence de toute preuve contraire. Cela est pour empêcher des délais inutiles devant les tribunaux.

Et, en toute déférence, je dois vous dire que c'est tout ce à quoi vise l'article 11.

Encore une fois, je voudrais rappeler au Comité que l'article 2 stipule que le tribunal peut exiger la présence de l'analyste pour contre-interrogatoire. Et l'interrogatoire traiterait certainement de la compétence de l'analyste qui avait une preuve quelconque contraire quant à sa compétence, tel que le déclare le paragraphe (1). Et, en outre, l'article (3) dit que le certificat et le nom, etc, sera présenté au défendeur avant le procès. Il me semble que toutes les précautions nécessaires sont prises pour donner la chance au défendeur de prouver sa cause. S'il possède des preuves contre la validité de ce certificat.

Le président: Monsieur Peters?

M. Peters: Une question supplémentaire. Je ne suis pas tellement conscient de la situation mais je veux savoir si le ministère lorsqu'un appel est fait aux termes de cet article...

M. Olson: Ce n'est pas un appel.

M. Peters: C'est un appel si la question est portée devant les tribunaux. Est-ce que le ministère, dans ce cas-là, en exposant sa preuve, a l'intention de faire intervenir des choses nouvelles c'est-à-dire ne pas se baser là-dessus pour son rapport. Est-ce qu'il songe à faire intervenir des rapports analytiques supplémentaires sans se baser entièrement sur l'analyse initiale. Il doit y avoir une raison pour laquelle le gouvernement veut agir de cette façon, il doit y avoir une raison derrière cela que nous ne comprenons pas.

Le président: M. Phillips...

M. C. R. Phillips (Directeur général de la production et des marchés, ministère de l'Agriculture): Je pense qu'il serait utile de rappeler ce qui arrive lorsque l'on examine un produit et ce que l'on fait sous forme d'examen avant d'arriver à l'étape du tribunal.

Premièrement, nous prélevons des échantillons. L'analyste qui trouve qu'il y a quelque chose qui ne va pas, doit faire au moins une nouvelle analyse pour confirmer ses résultats. Supposons qu'il a confirmé à sa satisfaction les résultats; il envoie un certificat; si l'infraction est de telle nature qu'elle pourrait affecter l'utilité du produit, nous détenons le

[Text]

provided to the manufacturer; the manufacturer, if he doubts the ability of the analyst, comes to the Department and says: "I would like a part of your sample"; we provide him with a part of the sample; he tests it; he says: "You are wrong" and comes back; we ask for a part of their sample, we go through a procedure; there is some question about the analytical competence of their analyst; we have referee samples; we ask them to submit samples in exchange—there is a whole series of it to see that people are working on the same basis. Then, after a number of infractions—and only then—is a case presented to Court.

As it is indicated in the section, the certificate of the analyst must be in the hands of the manufacturer quite some time before any Court action. Indeed, there have been months of discussion back and forth with analysts about whether they accept the result produced by an analyst of the Department. This is going on all the time, and it is in that context that it says that when evidence is presented to Court it shall be accepted unless proof is submitted to the contrary, and there is this dialogue that has been going on for months.

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Mr. Peters: Then they know who the analyst is and his competence in Court.

The Chairman: Gentlemen, shall Clause 11 carry?

Mr. Danforth: I have one more question, Mr. Chairman.

The Chairman: Mr. Danforth?

Mr. Danforth: I would like to put this question to the witnesses this morning. This deals with a court of law, as I understand it, and it says:

Subject to this section, . . .
And goes on stating that:

. . . a certificate of an analyst stating . . .
and it says:

. . . is proof of the statements contained . . .

May I ask this: Will a court of law accept evidence in an action of this type under conditions as prescribed under Clause 1 without proof of a signature or the official character of the person who has signed this certificate? Will a court of law, in fact, accept such evidence as being admissible?

Mr. Olson: What the section says is that this is admissible evidence unless or:

[Interpretation]

produit puis soumettons le certificat au fabricant. Si le fabricant doute des capacités de l'analyste, il s'adresse au ministère et dit qu'il veut avoir une partie de l'échantillon; nous lui en donnons une partie; il fait son examen et nous dit: «Vous avez tort». Il revient; nous lui demandons une partie de son échantillon. Nous doutons de la compétence analytique de leur analyste; nous leur demandons de nous soumettre d'autres échantillons. Il y a toutes une série d'échanges du genre pour nous assurer que tout le monde travaille sur la même base. Puis, après une série d'infractions, et uniquement à ce moment-là, la cause est portée devant un tribunal.

Dans cet article, on précise bien que le certificat de l'analyste doit être entre les mains du fabricant bien avant qu'une poursuite ne soit intentée devant le tribunal. Les échanges durent des mois entre les analystes et les fabricants avant que le fabricant décide qu'il accepte ou non les conclusions de l'analyste du ministère. Et ceci se passe constamment. Voilà pourquoi le texte dit que lorsque la preuve est présentée au tribunal, elle sera acceptée à moins de preuve contraire. Le dialogue dure depuis des mois lorsque la cause arrive devant le tribunal.

M. Peters: Il savent donc qui est l'analyste, quelle est sa compétence.

Le président: L'article 11 est-il adopté?

M. Danforth: Une question, s'il vous plaît, monsieur le président.

Le président: Monsieur Danforth.

M. Danforth: Je voudrais poser cette question aux témoins de ce matin. Il s'agit d'un tribunal judiciaire, si j'ai bien compris. L'article 11 dit:

(1) sous réserve des exceptions du précédent article, un certificat d'un analyste . . .

et l'article poursuit un peu plus loin:

fait preuve des déclarations contenues . . .

Voici la question: Est-ce qu'un tribunal acceptera une preuve dans une poursuite comme celle-ci conformément aux conditions prescrites en conformité de l'article 1, sans preuve de la signature ou du caractère de la personne qui a signé le certificat? Est-ce qu'un tribunal jugera cette preuve admissible?

M. Olson: Ce que l'article dit, c'est que cette preuve est admissible

[Texte]

...in the absence of any evidence to the contrary...

then I presume the Court—and the people presenting themselves at Court, perhaps mostly the lawyers—would, if there was any evidence to the contrary, examine the document and the person signing the document.

Mr. Danforth: My question is based strictly on the legal aspect of it. Is it the opinion of the witnesses this morning that a Court would be prepared to accept as evidence in a case of this kind a document purporting to be a certificate of an analyst without proof of signature on the document or any guide to or description of the official character of the person responsible for this particular document?

Mr. Pringle: In the absence of any evidence to the contrary.

Mr. Danforth: I am just asking a legal question.

Mr. Olson: You are asking me to say what a Court will or will not do. They have quite a lot of power to do that, but what I am saying is that these certificates, unless there is evidence to the contrary, must be accepted by the Court. That is what the clause says.

Mr. Danforth: This is my problem. The bill says this, but I want to know if we have any information under a statute which says that the Court will or must.

Mr. Olson: About all I can answer, Mr. Danforth is that they have in the past.

The Chairman: Shall Clause 11 carry?

Clause 11 agreed to.

On Clause 12—Trial of Offences.

Mr. Danforth: In Clause 12 we are dealing again with the matter of a justice. As was brought up in a former bill that we were asked to consider, is this a Justice of the Peace as designated?

Mr. Phillips: Mr. Chairman, as I recall the explanation given by the legal adviser was that it covers all those in the jurisdiction that are authorized by the statutes of the province. There is an occasion, he suspected, where a province might have in its law—but he was not certain—that a justice could. In general, I believe his answer was no, this type of case would not be heard by a Justice of the Peace.

[Interprétation]

en l'absence de toute preuve contraire

Alors j'imagine que le tribunal et les gens qui se présentent devant le tribunal, surtout les avocats, s'ils possèdent des preuves contraires, étudieront le document et interrogeront la personne qui l'a signé.

M. Danforth: Mais je pense à l'aspect juridique de la question. De l'avis des témoins de ce matin, est-ce qu'un tribunal serait disposé à accepter comme preuve dans une cause comme celle-ci, un document qu'on dit être un certificat d'analyste, sans preuve de la véracité de la signature qui apparaît sur le document et sans aucune description du caractère de la personne qui est responsable du certificat?

M. Pringle: En l'absence de toute preuve contraire.

M. Danforth: Je ne pense qu'à l'aspect juridique.

M. Olson: Vous me demandez de vous dire ce qu'un tribunal fera ou ne fera pas. Ils ont des pouvoirs assez larges. Quant à l'admissibilité de ces certificats, en l'absence de toute preuve contraire, le tribunal doit les accepter. C'est ce que dit l'article.

M. Danforth: C'est justement le problème; c'est ce que le bill déclare, mais je veux savoir s'il existe quelque chose quelque part qui nous dit si le tribunal peut ou doit accepter ce témoignage.

M. Olson: Tout ce que je peux vous dire, monsieur Danforth, c'est que par le passé il l'a accepté.

Le président: L'article 11 est-il adopté?

L'article 11 est adopté.

Article 12: instruction des infractions.

M. Danforth: A l'article 12, encore une fois nous traitons de cette question de juge de paix. On en a parlé dans un autre projet de loi qu'on nous a demandé d'étudier. Est-ce que c'est un juge de paix, lorsqu'on dit «justice» en anglais?

M. Phillips: Si je me rappelle l'explication donnée par le conseiller juridique cet article vise toutes les personnes qui s'occupent de questions juridiques et qui sont autorisées par les lois provinciales à agir. Il est possible, selon le conseiller juridique, qu'une province accorde ce pouvoir au juge de paix. Mais il ne croit pas qu'en général qu'un juge de paix puisse entendre une telle cause.

[Text]

Mr. Williams: I think the point that was made, Mr. Chairman, is that this Clause 12 deals solely with geography, not with the competence of judges at all and that other acts govern that entirely—judges or justices. It does not give them any more competence or any less competence.

Mr. Danforth: Mr. Chairman, I would like just a little further clarification of this when it is stated this deals particularly with geography. It does deal with those under whom this offence may be tried, "heard, tried or determined". Is it not a fact that not only does it deal with the geography, it states who the persons may be that this may be heard under, and under this is a justice as stated in the Bill.

Mr. Olson: Mr. Chairman and Mr. Danforth, we are not dealing with the competence of any person to hear a case. That is dealt with in other statutes. What is being dealt with here, as Mr. Williams has pointed out, is that a case may be heard in another territorial jurisdiction, even though the complaint or information did not arise in that territorial jurisdiction.

That is all that is being dealt with in this clause. We are not trying to define or delineate or in any other way attempt to set down conditions for the competence of anybody hearing the case.

The Chairman: Shall Clause 12 carry?

Clause 12 agreed to.

Mr. Peters: Mr. Chairman, before you call Clause 13, I would like to know what the attitude of the Department is to an amendment I would like to make, either here or in the House, to provide for tabling before the Committee each year on a regular basis, March 31 or whatever it may be, the regulations that are moved to this Bill. I am interested not only in this Bill; I am interested in a number of bills, and I would like to know whether or not this is acceptable to the Department and if not, why not?

My thinking is that all members of Parliament and the general public as well are entitled to ascertain what an Order in Council will be—many of these regulations, I believe, are Orders in Council. Most of us do not read them—we have no reason to read them until a specific problem comes to our attention. As these laws are applied for 20 or 30 years and sometimes more, the regulations often totally change the intent or interpretation of the acts.

[Interpretation]

M. Woolliams: L'article 12 vise seulement la géographie et pas la compétence des juges. D'autres lois établissent s'il doit s'agir de magistrats ou de juges de paix. Cet article ne leur donne ni ne leur enlève quoi que ce soit.

M. Danforth: Je voudrais avoir d'autres précisions. Il n'est question que de géographie, dites-vous. Il n'est pas question de préciser devant qui la plainte peut être «entendue, instruite ou jugée». Mais effectivement, en plus de la question de géographie, cet article ne précise-t-il pas qui peut entendre la détermination de l'action contre la corporation et est-ce qu'on ne dit pas que le juge de paix le peut?

M. Olson: On ne parle pas de la compétence de qui que ce soit à entendre une cause. C'est une question qui est réglée par d'autres mesures législatives. Mais comme l'a dit M. Williams, ici on dit tout simplement qu'une plainte peut être entendue dans un territoire autre que celui dans lequel elle a pu être portée. C'est tout ce dont on parle. Il n'est pas tenté d'y définir ou d'établir les conditions que doit remplir celui qui entendra la cause.

Le président: L'article 12 est-il adopté?

L'article 12 est adopté.

M. Peters: Avant de passer à l'article 13, je veux savoir quelle est l'attitude du ministère à l'égard d'un amendement que je voudrais présenter ici ou à la Chambre.

Cet amendement établirait qu'il faut déposer devant le Comité, tous les ans, d'une façon régulière, par exemple le 31 mars, les règlements que l'on joindra à ce bill. Je ne songe pas uniquement à ce bill, mais à plusieurs.

Je voudrais savoir si, oui ou non, le ministère l'accepterait, sinon pourquoi?

J'estime que tous les députés et le public en général ont le droit de savoir quel sera le décret du conseil. Et j'imagine que toutes ces choses-ci sont des décrets en conseil, certains non, certains oui. Mais on ne lit jamais les décrets en conseil et on n'a pas raison de le faire. Sauf quand un problème est porté à son attention. Étant donné que ces mesures législatives sont en vigueur pendant 20 ou 30 ans, les règlements faussent parfois l'intention ou

[Texte]

A good example of this is the Immigration Act.

It appears that some Immigration officials are interpreting the Act individually and probably do so under an Order in Council or under a departmental directive. I would like to see the regulations tabled.

It might not take the Committee too long to go over them each year, although it might. Some of them are obviously almost legislative in nature and I am wondering what the objections would be to having these tabled. Would the Department be willing to write in a clause to have them tabled annually for the attention of the Committee?

Mr. Olson: Mr. Chairman, I think it would be superfluous because first we are obliged to publish the regulations in the *Canada Gazette*. Then, of course, at that point, whether or not you read the *Canada Gazette* they are public information and anyone, particularly the members of Parliament, can obtain a copy of the regulations at any time. But if your purpose is to call the attention of the members of this Committee annually to what may have been changed in the regulations during that year, the secretary, if so instructed, could obtain a copy of the Order simply to call members' attention to what may have been changed.

However, it seems to me that it would be superfluous to have it mandatory that the regulations be tabled because it would be a matter of tabling public information which had already appeared in the *Canada Gazette*. And the regulations are printed anytime there is an amendment to them.

Mr. Peters: Mr. Chairman, I am aware that the regulations are in the *Canada Gazette*, but being available to the public and being public are two different things. The Committee has not been presented with the regulations applying to the Pest Control Products Act. They were not tabled even for our discussion; yet they do bear on what changes take place.

Mr. Olson: The regulations are not prepared until after the bill is passed.

Mr. Peters: The Pest Control Products Act is the one we are repealing in Clause 13.

Mr. Olson: May I have a copy?

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Mr. Peters: I think there is some merit in my suggestion. May be other members do not, but it seems to me that if these regulations

[Interprétation]

l'interprétation de la loi. Un bon exemple, en est *La Loi sur l'immigration*.

Il semble que certains fonctionnaires du ministère de l'Immigration interprètent la loi de leur propre façon, et probablement en vertu d'un décret en conseil ou de directives du ministère. J'aimerais qu'on saisisse le comité du règlement.

Ce ne serait pas tellement long de l'étudier chaque année. Certains sont de nature purement législative, je voudrais savoir quelles objections on aurait à ce que ces documents soient déposés devant le Comité. Est-ce que le ministère serait prêt à déposer des règlements chaque année devant le Comité?

M. Olson: Je pense que ce serait superflu, parce que, premièrement nous sommes obligés de publier le Règlement dans la *Gazette*. Ensuite, évidemment que vous lisiez la *Gazette du Canada* ou non, n'importe qui, y compris les députés, peut obtenir le règlement. Mais, si l'objectif est de signaler, sur une base annuelle, aux membres du Comité ce que l'on a pu changer dans le Règlement pendant l'année, à ce moment-là, le secrétaire peut en obtenir un exemplaire et le communiquer aux membres du Comité.

Mais, d'après moi, ce serait superflu d'exiger que l'on dépose les modifications au Règlement, parce que ce serait déposer des documents publics qui ont déjà été publiés dans la *Gazette*. On imprime les règlements modifiés, chaque fois qu'un amendement y est apporté.

M. Peters: Je sais que les règlements paraissent dans la *Gazette*, le fait d'être accessibles au public et d'être publics sont deux choses différentes. Le Comité n'a pas reçu le règlement visant la *Loi sur le contrôle des produits antiparasitaires*, et ils ont une influence sur les changements qui se produisent.

M. Olson: On ne prépare pas les règlements avant que la loi soit adoptée.

M. Peters: Oui, mais la *Loi sur les réglementations de produits antiparasitaires*, c'est la loi qu'on modifie à l'article 13.

M. Olson: Puis-je en avoir un exemplaire?

M. Peters: Je pense que ma proposition est valable. Peut-être que d'autres députés ne sont pas de mon avis, mais si ces règlements

[Text]

were tabled the Committee or the steering committee might be instructed to look at them each year and those considered contentious might be discussed. It seems to me there will be many changes in this legislation before we ever see it again.

Mr. Olson: Well, Mr. Chairman, there is no problem at all. If the Committee's secretary requests a copy of the regulations, they are available any time. They are public information and there is no question at all about your being able to obtain them. However, there is no other act that I know of requiring annual tabling of its regulations, and inasmuch as they are so easily obtainable I see no reason why we need to go through that procedure.

Clauses 13 and 14 agreed to.

On Clause 1—Short Title.

Mr. Danforth: Mr. Chairman, I would like to ask a general question under Clause 1, if I may. It follows along the line of argument of Mr. Peters in dealing with the regulations. It seems to me that this Bill is one in which the regulations are very important, as no doubt they are in most.

What I would like from the able witnesses before us this morning is an indication in some detail of how the mechanics are worked out in drafting the regulations of a bill once it has been passed by Parliament, and in particular a bill such as this which intrudes into the normal workings of an industry or two industries, with the chemical industry and agriculture both involved. I would like for the record this morning an indication of the mechanics of drafting the regulations for such a bill.

Mr. Phillips: Mr. Chairman, the normal procedure is that following the passage of any bill by Parliament, the departmental legal adviser is charged with the responsibility of drafting the regulations.

The Justice Department drafts the bill and the departmental legal adviser drafts the regulations. Suggestions are put to him as to what is required by the department to fulfil the purpose of the bill. He assists them and drafts the regulations. Following this they are examined by the department and sent to the Justice Department, where they are reviewed by the Department in terms of the Department of Justice itself, and in terms of the Privy Council.

[Interpretation]

étaient déposés devant le Comité ou son comité directeur pourrait y jeter un coup d'œil, et lorsqu'il ya des choses contentieuses on pourrait en discuter. Il y aura certainement beaucoup de changements à cette mesure avant qu'elle nous soit présentée de nouveau.

M. Olson: Monsieur le président, il n'y a pas de problème du tout. Si le Comité, par son secrétaire, veut avoir les règlements modifiés, ils sont publiés régulièrement. Il n'y a pas de raison pour que vous ayez des difficultés à les obtenir. Mais, je n'ai jamais entendu parler d'une autre loi où l'on doive déposer annuellement le Règlement, surtout que c'est tellement facile de les obtenir, je ne vois pas pourquoi il faut suivre cette procédure.

Les articles 13 et 14 sont adoptés.

Article 1—*Titre abrégé.*

M. Danforth: Je voudrais poser une question d'ordre général visant l'article 1, s'il m'est permis de le faire.

Je suis l'argument présenté par M. Peters, au sujet des règlements. Il me semble que dans ce projet de loi, comme dans toute loi, les règlements sont très importants.

Je voudrais demander aux témoins s'ils pourraient nous indiquer en détail comment le mécanisme est mis au point lorsque l'on rédige un règlement une fois que le projet de loi est adopté par le Parlement et surtout dans le cas d'un bill comme celui-ci qui empiète sur le fonctionnement normal d'une industrie ou plutôt de deux industries, l'agriculture et les produits chimiques. Je voudrais leur demander de verser au compte rendu comment on procède pour rédiger les règlements pour une telle loi?

M. Phillips: Monsieur le président, la procédure ordinaire est qu'après l'adoption de tout projet de loi par le Parlement, le conseiller juridique du ministère est chargé de rédiger les règlements.

Le ministère de la Justice rédige le projet de loi, et le conseil juridique du ministère rédige les règlements. Des suggestions lui sont présentées par le ministère sur ses exigences en vue de se conformer au projet de loi. Il aide le ministère et rédige les règlements, après quoi ils sont examinés par le ministère et envoyés au ministère de la Justice. Le ministère de la Justice en fait la révision, premièrement, par rapport au ministère de la Justice lui-même et deuxièmement, par rapport au Conseil privé.

[Texte]

The lawyer there must assure himself that the proposed regulations are in line with the Bill of Rights and when he is satisfied that they are so, they are sent back to the department for transmittal by the minister to council with an indication by the Department of Justice that they meet the requirements of the Bill of Rights. An explanation of the whys and wherefores of the regulations is provided to council and if in their judgment it is satisfactory, it is approved and published within two weeks in the *Canada Gazette*.

Mr. Danforth: Thank you, Mr. Chairman. I certainly appreciate your courtesy and the fullness of your explanation. I have a supplementary question, Mr. Chairman. Is there any period or time during the drafting of the regulations in which it is common practice to invite the parties involved to either assess the workability of the regulations or to alleviate in that period any undue hardship that may be foreseen? In other words, is this strictly a departmental procedure, or is there any recourse to the industries involved which is normal during this process?

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Mr. Phillips: The practice is that following the passage of the bill the public is aware of the authority contained in the bill. The minister, indeed, before he submits matters to council, wants to know the judgment of the public in terms of the regulations. We consult with the farm organizations and with the trade organizations to determine what indeed their views are in respect of them. There is one distinction: we do not send copies of the proposed regulations after they have been drafted to any member of the public until they are approved by council and become

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law, but the contents, the ideas are discussed and when we submit these to the Minister and to Council we must indicate what the views are.

We quite often indicate that in general the farm organizations favour this, the trade organizations favour this, except that they are not too happy about (a) (b) (c) and (d). In other words, we must bring to the attention of the Minister and Council areas of disagreement as we understand them.

Mr. Danforth: Thank you, Mr. Chairman, I am satisfied.

The Chairman: Shall the short title carry?

Short Title Agreed to.

The Chairman: Shall I report the bill as amended?

[Interprétation]

L'avocat doit s'assurer que les règlements proposés sont conformes à la déclaration des droits de l'homme. Lorsqu'il est satisfait sur ce point, il les renvoie au ministère, et le ministre lui-même les transmet au Conseil, en indiquant que les règlements sont conformes à la déclaration des droits de l'homme. Il explique le pourquoi et le comment des règlements, et si le Conseil en est satisfait, il est approuvé et publié, donc les deux semaines, dans la *Gazette du Canada*.

M. Danforth: Je remercie le témoin de nous avoir donné des explications aussi complètes, et de façon aussi courtoise. J'ai encore une question à poser. Est-ce qu'à un moment, pendant la rédaction des règlements, il est d'usage de demander aux partis en cause d'étudier l'aspect pratique des règlements, et prévoir, par exemple, les difficultés imprévues qui pourraient se présenter? Autrement dit, est-ce simplement une procédure au sein du ministère ou est-ce qu'on a recours aux industries en cause?

M. Phillips: L'usage est qu'après l'adoption du projet de loi, le public sait quels pouvoirs sont donnés en vertu du projet de loi. En vérité, avant de soumettre des questions au Conseil, le ministre tient à savoir ce que le public pense du projet des règlements. Nous consultons les organisations agricoles et commerciales pour savoir exactement ce que ces milieux pensent du Règlement, sauf ce que nous n'envoyons pas d'exemplaires du règlement, une fois rédigé, à aucun membre du public tant que les règlements ne sont pas approuvés par le Conseil et ne deviennent loi.

Mais la teneur et les idées sont discutées et, lorsque nous les soumettons au ministre et au Conseil, nous devons indiquer quelles sont ces opinions.

Très souvent, nous indiquons qu'en général les associations agricoles sont en faveur de telle chose, les associations industrielles sont en faveur de telle chose, à ceci près que A, B, C, D, sont des points qui ne leur conviennent pas. Nous signalons au Conseil et au ministre chaque fois qu'il y a un désaccord, tel que nous le concevons.

M. Danforth: Merci, monsieur le président.

Le président: L'article 1 est-il adopté?

L'article 1 est adopté.

Le président: Dois-je faire rapport du projet de loi tel qu'amendé?

[Text]

Some hon. Members: Agreed.

The Chairman: I would now direct your attention to Bill No. C-156. We were considering Clause 1 and I would direct your attention thereto. Are there any questions?

Mr. Horner: Yes, I would like to ask a question of the Minister or one of the department officials. Has there been a number of complaints about the maximum limit being prescribed on animals?

Mr. Olson: Oh, yes, there have been complaints that the market value has moved up beyond what these maximum values have been.

Mr. Horner: Yes, but if...

Mr. Olson: Pardon me, since the bill was amended the last time.

Mr. Horner: As I understand the bill in Clause 1, the maximum is the amount paid over and above the market value of the animal.

Mr. Olson: It is an amount paid over and above the salvage value of the carcass.

Mr. Horner: Let us suppose the carcass has no value whatsoever; then it is an amount paid...

Mr. Williams: If it has no value...

Mr. Horner: If the animal is condemned?

Mr. Williams: If the animal is condemned the department pays to the owner two sums: the sum up to the maximum allowable plus the best estimated value that that carcass would have had for salvage had it not been condemned.

Mr. Horner: I do not like the interpretation of the word "salvage". I do not see it in the bill. Why do you use that word "salvage"?

Mr. Olson: Mr. Horner, I am not sure that it is in the bill, but why I used the word "salvage" is because the connotation in that word means that you do the best you can.

Mr. Horner: This is the point I am getting at, Mr. Chairman: if you are going to take off the maximum amount and still refer to the value of the carcass as salvage, then in many cases you may not be exceeding the present maximum.

Mr. Olson: That could happen, but we intend to establish those maximums by a

[Interpretation]

Des voix: D'accord.

Le président: D'accord. Merci, messieurs. J'attire maintenant votre attention sur le projet de loi C-156. Nous étudions l'article 1 du bill C-156 et j'attire votre attention. Avez-vous des questions à poser là-dessus? Monsieur Horner.

M. Horner: Il y a eu un grand nombre de plaintes, de réclamations, au sujet de la limite maximum prescrite pour les animaux. Est-ce qu'il y en a eu plusieurs?

M. Olson: Oui, que la valeur sur le marché a dépassé le plafond fixé.

M. Horner: Oui, mais...

M. Olson: Pardon, depuis la dernière modification à la Loi.

M. Horner: Si j'ai bien compris l'article 1, le maximum dépasse la valeur du marché?

M. Olson: C'est le montant payé en surplus de la valeur de la carcasse.

M. Horner: Imaginons que la valeur de la carcasse est nulle, quel sera alors le montant...

M. Williams: Si la valeur est nulle...

M. Horner: Si l'animal est condamné?

M. Williams: Si l'animal est condamné, le ministère paie au propriétaire deux montants: d'abord, la somme jusqu'à concurrence du maximum accordé; deuxièmement, plus la valeur qu'aurait pu avoir la carcasse si elle n'avait pas été condamnée.

M. Horner: Je n'aime pas du tout le mot «salvage». Pourquoi en servez-vous?

M. Olson: Je ne suis pas sûr qu'il soit mentionné dans le projet de loi. Si je m'en sers, c'est parce que ça donne un certain sens à un mot, cela veut dire que vous avez fait tout ce que vous pouviez pour le sauver et vous n'avez pas réussi.

M. Horner: Si vous supprimez le montant maximum et que vous parlez encore de la valeur de l'animal abattu après qu'on ait fait tout le nécessaire, vous ne dépassez pas nécessairement le maximum actuel.

M. Olson: C'est bien possible, mais nous avons l'intention d'établir ces maximums par

[Texte]

different process, by an order-in-council, so that it will be possible to reflect market conditions more rapidly than coming back to Parliament to raise the statutory limits. It is true there may be cases where the maximum is not paid.

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Mr. Horner: I could think of a case which aroused considerable interest a number of years ago—I notice the bill suggests compensation with regard to horses and cattle—but is there any comparison drawn with regard to sheep or hogs?

Mr. Williams: If I might answer that question, this bill does not cover any diseases at the present moment that are under a regulatory program that would apply to sheep and hogs.

Mr. Horner: Would it not apply to hogs with foot and mouth disease?

Mr. Williams: No, it is covered by an entirely different provision of the bill that requires us in the case of epidemic type diseases, such as foot and mouth, not just to kill animals, or order destroyed animals that have the disease, but to destroy animals that are contacts of the disease, in which case the assessment procedure and the method of payment is completely different. There is no—if you will pardon the word—“salvage value”. These animals are destroyed and buried. In such a case the procedure is that the animals are assessed at market value by a group of three, one representing the Health and Animals Branch, one representing the Livestock Division of the Production and Marketing Branch and one representing basically the farmer through some organization named to represent him, usually it is a breed organization, but it depends a little bit on the type of disease.

Mr. Horner: Is there any mark-up with regard to purebred animals?

Mr. Williams: Yes.

Mr. Olson: If you look about half way down in Clause 1 (b) you will see that purebred and grade animals are mentioned.

Mr. Horner: But you are doing away with the distinguishing difference between purebred and grade animals?

[Interprétation]

un processus différent, par un décret en Conseil, de sorte qu'il serait possible d'exprimer les conditions du marché, la valeur marchande, plus rapidement que si on revient au Parlement pour lui demander de fixer des limites statutaires. Il est vrai que dans certains cas on ne paie pas le maximum.

M. Horner: Je pense à une cause qui a suscité beaucoup d'intérêt il y a quelques années.

Je vois que le bill parle de compensations ou d'indemnités pour les chevaux, pour le bétail. Est-ce qu'il y a quelque chose de comparable lorsqu'il s'agit de moutons ou de porcs?

M. Williams: Le projet de loi ne vise aucune maladie couverte par un règlement qui s'applique aux moutons et aux porcs.

M. Horner: La Loi ne s'appliquerait-elle pas aux porcs victimes de la fièvre aphteuse?

M. Williams: C'est une autre disposition du projet de loi complètement différente qui nous oblige, lorsqu'il y a des maladies de type épidémique, comme par exemple la fièvre aphteuse, à détruire non seulement les animaux atteints par la maladie, mais ceux qui sont en contact avec eux. Dans ce cas, la procédure d'évaluation et la méthode de paiement est complètement différente. Il n'y a pas alors de valeur «salvage». Ces animaux sont abattus et enterrés. Dans un tel cas la procédure est la suivante: les animaux sont évalués à la valeur marchande, par un groupe de trois personnes, un représentant du secteur de la santé des animaux; l'autre, le secteur de la mise en marché; le troisième, représentant une organisation agricole ou un agriculteur. En général, c'est une organisation d'élevage, mais cela dépend un peu de la nature de la maladie.

M. Horner: Est-ce que vous faites quelque chose de particulier dans le cas des animaux pur-sang?

M. Williams: Oui.

M. Olson: Par exemple, si vous prenez l'article 1 (b), au milieu, vous voyez qu'on fait la différence entre des pur-sang et des animaux de sang-mêlé.

M. Horner: Oui, mais vous supprimez la différence de base entre les deux?

[Text]

Mr. Olson: No, there is no intention of that at all. When the Governor in Council prescribes the maximums, there will be a difference.

Mr. Horner: Is the Governor in Council going to prescribe the maximums that will stay in effect for a year or several years?

Mr. Olson: Until such time as market values indicate that they are no longer in line with those values.

Mr. Horner: Why cannot we be told what the Governor in Council's maximums are going to be?

Mr. Williams: Well, I am not sure...

Mr. Horner: If I understood the Minister correctly, the Governor in Council is going to prescribe a set of maximums under this bill. Under the old Act the maximums were stated. If the Governor in Council is bringing in a new bill and they do not feel the old maximums were high enough, I think it is only fair to give the committee some idea as to what the new maximums will be.

Mr. Williams: Mr. Chairman, what the new maximums will be will depend entirely upon the date this bill passes Parliament. If the price of livestock were to go down very sharply—and I think we have talked about a higher one, simply because the market at this time is higher—and heaven forbid that that would happen, it is possible that the maximum might be lowered. I am not suggesting that it is probable at all; quite the opposite. At the present moment we are not in a position to state what figures we would be prepared to recommend to the Governor in Council simply because we do not know what the market situation is liable to be at the time this bill becomes law.

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Mr. Horner: I think that is about the weakest excuse that I have heard in a long time, because I do not anticipate the market fluctuating that much between now and the time this bill passes. In the old Act, which this section is amending, the market and the maximums are stated. One only has to look at the explanatory notes on the opposite page. I do not see why we in this Committee have to leave everything up to the Governor in Council, and why we cannot recognize that

[Interpretation]

M. Olson: Non, nous n'avons pas l'intention de le faire. Lorsque le gouverneur en conseil prescrira des maximums, la différence apparaîtra.

M. Horner: Est-ce que le gouverneur en conseil prescrira des maximums qui resteront en vigueur pour un an ou pour plusieurs années?

M. Olson: Jusqu'à ce que la valeur marchande indique que ces maximums ne sont plus conformes à ces valeurs marchandes.

M. Horner: Comment va-t-on savoir quels seront les maximums fixés par le gouverneur en conseil?

M. Williams: Je ne comprends pas très bien ce que vous voulez dire.

M. Horner: Si j'ai bien compris, le gouverneur en conseil va prescrire une série de maximums, en vertu de ce projet de loi. D'après l'ancien projet de loi, les maximums étaient énoncés. Si le gouverneur en conseil présente un nouveau projet de loi et estime que les anciens maximums ne sont pas assez élevés, je pense que ce n'est que juste pour le Comité que de lui donner une idée de ce que seront les nouveaux maximums.

M. Williams: Ceci, monsieur le président, dépendra du moment où le bill sera accepté par le Parlement. Si le prix du bétail baisse sérieusement, je pense qu'on avait parlé de prix supérieurs, mais dans le moment la valeur marchande est supérieure, si le prix du bétail descendait beaucoup—et, Dieu nous en préserve—ce serait bien possible que le maximum soit abaissé. Je ne dis pas que c'est probable. Évidemment, c'est probablement le contraire auquel on peut s'attendre. Mais, dans le moment, nous ne sommes pas en mesure de dire quels chiffres nous serions prêts à recommander au gouverneur en conseil, tout simplement parce que nous ne connaissons pas ce que sera la valeur marchande au moment où le projet de loi entrera en vigueur.

M. Horner: Je pense que c'est probablement l'excuse la plus faible que j'aie jamais entendue, parce que je ne m'attends pas à ce que le marché fluctue tellement entre aujourd'hui et le jour de l'adoption du projet de loi. Dans l'ancien projet de loi—le bill que l'on veut modifier par cet article—on énonce quelles sont les valeurs marchandes et quels sont les maximums. Vous n'avez qu'à regarder les notes explicatives à la page opposée. Il n'y a pas de raison pourquoi on ne devrait

[Texte]

the Committee may have some intelligence and may be able to judge whether the proposed maximums are high enough or indeed too low.

Mr. Olson: Mr. Chairman, this Act was amended the last time, I think, in 1958. At that time the amounts were amended to a maximum of \$70 for grade cattle and \$140 for purebreds. It is our opinion that these maximums are out of line with today's values of cattle. If the bill were passed now on today's market values, we would recommend, but we cannot be sure that the Governor in Council is going to pass it.

Therefore, this is a problem. I think we would be prepared to recommend that the maximum compensation for grade cattle be increased to \$120 and the maximum compensation for pure-bred cattle to \$200. Here again, this is only an indication of the thinking of the department in so far as recommendations are concerned.

Mr. Horner: What would be the case with horses? I notice there is a difference here.

Mr. Olson: We would have to consider whether or not to take into account the market changes in the value of horses. They were \$200 for pure-bred animals and \$100 for grade animals. I am not sure that the market value of horses has moved up as much as that for cattle since 1958. I am also advised that we have not paid on horses for five years.

Mr. Pringle: Mr. Chairman, on a supplementary, if I might. Is it not the purpose of the bill to amend the Animal Contagious Diseases Act to provide some flexibility so that we can be more fair to those people who are involved with regard to the compensation for their animals? Attempting today to pin down an amount that we are going to pay seems to me to be a superfluous part of the discussion. It is the flexibility part, the ability to increase the maximums—for the Governor in Council to do this—that is one of the purposes, as I understand it, of the bill, unless I am wrong. Am I right or wrong?

Mr. Olson: You are right.

Mr. Horner: I asked that question and I gathered from the Minister—and I want him to correct me if I misunderstood him—that the Governor in Council would prescribe a

[Interprétation]

pas tout laisser au soin du Comité, et lui laisser le soin de juger si les maximums proposés sont suffisants ou non, plutôt que de laisser cela dans les mains du gouverneur en conseil.

M. Olson: Bien, monsieur le président, je pense que c'est en 1958 qu'on a modifié cette loi pour la dernière fois. A cette époque, on a modifié les maximums jusqu'à \$70 pour les sang-mêlé et \$140, pour les pur-sang. D'après ce qu'on peut voir, aujourd'hui, ces chiffres ne sont pas conformes à la valeur marchande actuelle du bétail. Si le projet de loi était accepté aujourd'hui, et si on fixait les maximums, on pourrait faire des recommandations, mais nous ne sommes pas certains que le gouverneur en conseil l'accepte.

C'est un problème. Mais, je pense que nous serions prêts à recommander que la compensation maximum pour les sang-mêlé soit augmentée jusqu'à \$120 et la compensation ou l'indemnité maximum pour les pur-sang soit augmentée à \$200. Mais ici, encore une fois, et ce n'est qu'une indication, de ce que pense le ministère en termes de recommandations.

M. Horner: Alors, que feriez-vous pour les chevaux? Je pense qu'il y a là une différence.

M. Olson: C'est une chose dont il faudrait tenir compte. Il faudrait étudier sérieusement la question. Maintenant, reste à savoir s'il faut tenir compte des fluctuations des valeurs marchandes des chevaux. Elles étaient fixées à \$200 pour les pur-sang et \$100 pour les sang-mêlé. Je ne suis pas certain que la valeur marchande des chevaux ait augmentée autant par rapport au bétail depuis 1958, mais on nous dit aussi que nous n'avons pas payé d'indemnité pour les chevaux depuis 5 ans.

M. Pringle: N'est-ce pas le but de la Loi de procurer une certaine flexibilité afin d'être plus juste envers les gens qui doivent recevoir une indemnité pour leurs animaux? Il me semble que la discussion est superflue. Ce qu'il faut, c'est de la flexibilité pour permettre au gouverneur en conseil d'augmenter les montants. Ai-je raison?

M. Olson: Oui, vous avez raison.

M. Horner: J'ai posé cette question et j'ai compris, d'après ce que le ministre a dit et il peut me corriger si j'ai mal compris, que le gouverneur en conseil établirait un taux et

[Text]

rate which would then be in effect. It would not be changed from one farmer's case to another or from one month to another.

Mr. Olson: No.

The Chairman: But it might be changed more often than it has been in the past.

Mr. Horner: It might well be changed more often than it has, but...

Mr. Olson: Let us be clear on this thing, that what we are prescribing here is the maximum. It is not mandatory that the maximum be paid in all cases.

Mr. Horner: I understand that. So the flexibility of the bill is not going to be as flexible as the former questioner suggested.

Mr. Olson: It will be far more flexible than not changing it for 11 years.

Mr. Horner: In not changing it for 11 years, I agree it could be far more flexible than that. But to go back to my original premise, surely the Committee should be given some credit for some intelligence and should be given some idea as to what the proposed changes of the Governor in Council would be at this time.

Mr. Olson: I have done that Mr. Horner.

Mr. Horner: You have done that with cattle, and I am leading up to the question with horses.

Mr. Williams: With horses it only applies, Mr. Chairman, to cases for the two diseases, glanders and docerine, and there has not been a case in Canada for five years. So actually, and this may be a delinquency on the part of the Department, we have not given consideration as yet as to what recommended levels we would suggest for horses.

Mr. Horner: It is a small point, but I fail to see how you could come before the Committee without having some idea.

Mr. Olson: We will have a good idea before we recommend it to the Governor in Council, but as has been pointed out, it is not a particularly urgent matter that should have received a lot of consideration up until now, because there have been no payments recently.

Mr. Horner: Foot and mouth was not an urgent matter until the day before it broke in Regina.

[Interpretation]

que ce taux ne serait pas ensuite modifié. Il ne serait pas modifié d'un mois à l'autre.

M. Olson: Non, non.

Le président: Il pourrait être modifié plus souvent qu'il ne l'a été dans le passé.

M. Horner: Très bien, mais...

M. Olson: Soyons clairs là-dessus. Ce que nous prescrivons, c'est le maximum; il n'est pas nécessaire que le maximum soit payé dans tous les cas.

M. Horner: Je comprends. La Loi ne sera pas aussi flexible que l'a suggéré le dernier intervenant.

M. Olson: Elle sera beaucoup plus flexible puisque le taux n'a pas été modifié depuis onze ans.

M. Horner: J'admets, sur ce point, qu'elle peut être beaucoup plus flexible. Les membres du comité, qui possèdent tout de même une certaine intelligence, devraient tout de même pouvoir savoir quels sont les changements que le gouverneur en conseil songe à apporter à ce moment-ci.

M. Olson: Nous vous les avons indiqués.

M. Horner: Vous l'avez fait dans le cas des bestiaux mais pas dans le cas des chevaux. Je voudrais savoir ce qui va arriver au sujet des chevaux.

M. Williams: Pour ce qui est des chevaux seuls deux maladies entrent en ligne de compte et aucune de ces maladies ne nous a été signalée ces cinq dernières années. Peut-être le ministère est-il coupable sur ce point, mais nous n'avons pas encore songé aux montants que nous désirons suggérer dans le cas des chevaux.

M. Horner: C'est un point minime mais je me demande comment vous pouvez vous présenter devant le comité sans avoir une idée de ce que vous allez faire.

M. Olson: Notre idée sera arrêtée avant de faire une recommandation au gouverneur en conseil mais il ne s'agit pas d'une question d'urgence puisqu'aucune indemnité n'a été versée récemment.

M. Horner: Le problème de la fièvre aphteuse n'était pas considéré urgent, non plus, jusqu'à ce que l'épidémie éclate à Regina.

[Texte]

Mr. Olson: Of course if we had dourine or glanders it would become urgent right away too, but we have not had any.

Mr. Horner: That is just how quick it can break out.

The Chairman: Gentlemen, I have on my list Mr. McKinley, Dr. Foster, Mr. Peters. May I recognize Mr. McKinley?

Mr. McKinley: You say, Mr. Minister, that you are going to recommend maximums.

Mr. Olson: Yes.

Mr. McKinley: And the maximum for cattle might be—what did you say?

Mr. Olson: It will be \$120 and \$200 if it is based on today's market values. Those are the figures that we are speaking about now.

Mr. McKinley: That is fine, but what about a pure-bred animal that is worth \$1,000?

Mr. Williams: Mr. Chairman, I endeavoured to answer this earlier. This is a matter that has given us a great deal of concern over the years, and basically the problem is that it is extremely difficult to determine the real value of a pure-bred animal in absolute terms, because there are many things involved.

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We have in general taken the position that high quality pure-bred animals can be covered by insurance, and that anybody who has animals of this nature normally does have them insured against diseases, including these diseases. It is the view of the Department that this procedure should continue, and there should be responsibility on the part of the owner for these animals where it is extremely difficult to establish value. It includes advertising, it includes many things. It includes speculation in some cases where a person buys a calf and he does not really know what its value is. He is hoping maybe, but there is an element of speculation in there.

We believe it should be covered. This extra value over and above the maximums should be covered by insurance on the part of the farmer himself.

Mr. McKinley: Thank you.

Mr. Moore (Wetaskiwin): My question is supplementary.

The Chairman: I recognize Mr. Moore.

[Interprétation]

M. Olson: Si on nous signalait des cas de dourine ou de morve, la situation deviendrait également urgente.

M. Horner: C'est juste: ces épidémies peuvent se déclarer rapidement.

Le président: M. McKinley, Dr. Foster et M. Peters.

M. McKinley: Vous dites, monsieur le ministre, que vous allez recommander le maximum?

M. Olson: Oui.

M. McKinley: Et quel serait le maximum pour les bestiaux?

M. Olson: \$120 et \$200. Ces chiffres sont basés sur la valeur présente sur le marché. Ce sont les chiffres dont nous parlons présentement.

M. McKinley: Et que faire dans le cas d'un animal pur-sang qui vaut \$1,000?

M. Williams: Monsieur le président, c'est là un problème qui nous inquiète depuis de nombreuses années. Le problème fondamental c'est qu'il est très difficile de déterminer la valeur véritable d'un animal pur-sang, parce qu'il faut tenir compte de plusieurs facteurs. En général, notre attitude c'est que les animaux pur-sang peuvent être assurés et que tous ceux qui ont des animaux pur-sang les assurent contre les maladies y compris ces deux maladies dont nous avons parlé. Le ministère pense que cette situation doit demeurer parce que dans le cas d'animaux pur-sang, il est difficile d'établir la valeur. Il faut tenir compte de la publicité, de la spéculation puisqu'il arrive qu'une personne achète un veau sans connaître exactement sa valeur. Il espère, mais en même temps il spécule. Pour ce qui est de la valeur qui excède le maximum prévu par la loi, le fermier doit se protéger par une assurance.

M. McKinley: Merci.

M. Moore (Wetaskiwin): Ma question est supplémentaire.

Le président: Monsieur Moore.

[Text]

Mr. Moore (Wetaskiwin): I can understand determining the value of beef cattle at \$120 and \$200, whether they be grade or purebred. What about dairy cattle? How do you determine their value?

Dr. R. J. McClenaghan (Director, Contagious Diseases Division, Department of Agriculture): In determining the value both for purebreds and for grades—and I will deal with the grades first—we have to decide on giving points to the type of the animal, conformation, usefulness, and age. And depending upon the age of the animal, its type and conformation, we can assess points. Generally a six-year-old dairy animal would, if it is good type, receive very close to maximum compensation.

If it has not good type, or if it in fact is not at its peak production, that is shortly after freshening, if it is dry, then it would have a lesser value. If the udder was not sound, marks would be taken off. And if out of 100 points the animal came up with 80 points, then it would be 80 per cent off the maximum amount. If it was 70 it would correspondingly be less. The same applies in the case of purebreds, based on pedigree in addition to the same formula used for grades.

The Chairman: Does that answer your question Mr. Moore?

Mr. Moore (Wetaskiwin): Partly, yes, but the area in which the animals are being milked might also have an affect on the value, or at least there is a different value for dairy cows outside Toronto, perhaps, than in central Alberta or central Saskatchewan. Will this be taken into consideration?

Dr. McClenaghan: In the past we have not taken this into consideration.

Mr. Moore (Wetaskiwin): When you speak of a cow that is dry and one that is fresh, a cow that is dry may be only two weeks from freshening. That would increase her value too, would it not? Especially if she were in calf, say to some of the top sires in the world. We have Holsteins that are rated at \$150,000. I know this is a false value, but breeding charges are much heavier. Will this be taken into consideration?

Dr. McClenaghan: I perhaps overlooked to tell you that gestation would be taken into consideration.

Mr. Moore (Wetaskiwin): Yes.

Dr. McClenaghan: A cow that is in advanced stages of gestation. The owner has kept this animal up to the point where he

[Interpretation]

M. Moore (Wetaskiwin): Je puis comprendre qu'on puisse établir la valeur des bœtaux à \$120 et \$200. Mais comment déterminez-vous la valeur des vaches laitières?

M. R. J. McClenaghan (Directeur, Division des maladies contagieuses, Ministère de l'Agriculture): En déterminant la valeur des animaux pur-sang et des animaux de sang mêlé, (je parlerai d'abord d'animaux de sang mêlé) il nous faut attribuer des points pour le genre d'animal en question, sa structure, son utilité, son âge. En général, une vache laitière de six ans, de bon sang, recevra l'indemnité maximum. Ce n'est pas un bon type ou si elle n'est pas au point de production. Si le pis n'est pas productif, on enlève des points et si l'animal a 80 p. 100 des points, alors les producteurs reçoivent 80 p. 100 du maximum et ainsi de suite. La même chose s'applique dans le cas des pur-sang. On évalue l'animal d'après la catégorie et on établit, on se sert de la même formule que pour les animaux de sang mêlé.

Le président: Cela répond-il à votre question, monsieur Moore?

M. Moore (Wetaskiwin): Oui, partiellement. Mais, est-ce que la région n'a pas aussi une influence? Par exemple, les vaches laitières n'ont pas la même valeur à Toronto qu'en Alberta. Est-ce qu'on tient compte aussi de cela?

M. McClenaghan: Non, dans le passé, nous n'avons pas tenu compte de ce facteur.

M. Moore (Wetaskiwin): Lorsque vous parlez de vaches qui ne produisent plus, de vaches qui produisent, peut-être que la vache commence à produire dans deux semaines. Cela augmenterait sa valeur, n'est-ce pas? C'est un veau qui va commencer à produire du lait dans les deux semaines. Est-ce que l'on tient compte aussi de ce facteur?

M. McClenaghan: J'ai peut-être oublié de vous dire que la gestation serait considérée.

M. Moore (Wetaskiwin): Oui.

M. McClenaghan: Une vache en état avancé de gestation. Le propriétaire a conservé cet animal jusqu'au rendement et il recevrait la

[Texte]

would receive returns, and this would be given the same rating as an animal that had recently freshened.

Mr. Moore (Wetaskiwin): Yes, I accept the point.

The Chairman: I recognize Dr. Foster.

Mr. Foster: Mr. Chairman, I would just like to applaud the intent of this bill because I think the amounts that have been paid in the past few years are very inadequate, and I personally would like to see higher limits than what the Minister has suggested. I think that in most areas of this country dairy cows in good condition are running in the \$500 to \$1000 price range, especially for pure-breds. Maybe this is a bit high for grades.

• 1140

It seems to me that we should give consideration to paying the farmer the difference between what he gets for salvage for the animal and the average market price. I think most farmers are pretty reasonable people to deal with, and this would be more acceptable to them.

We are not dealing with a wholesale a tremendous number of animals such as we were when we were eradicating brucellosis and tuberculosis, so we are dealing with the exceptional case, the odd flare-up of brucellosis or tuberculosis in various areas of the country. The amounts may be adequate for commercial needs but I doubt if they would be for dairy animals.

Aside from this, I feel that we should be considering giving some compensation to the farmer for the cost of his disinfection and clean-up program. When I was in practice, the compensation cheque was only for one or two animals and would barely cover the cost of his clean-up and disinfection program. Although it can be argued that the farmer is getting rid of a diseased animal, which is true, he still loses that animal from his herd and he also has the added expense of the disinfection, which is a major project on some farms.

Dr. McClenaghan, roughly how many animals are condemned each year—grades and pure-breds?

Dr. McClenaghan: For both tuberculosis and brucellosis the number of animals condemned would be less than 4,000. Unfortunately, I cannot give you a breakdown here but I could provide this information to the Committee at the next meeting.

[Interprétation]

même considération que pour les vaches qui viennent de commencer à produire.

M. Moore (Wetaskiwin): Oui, j'accepte ce point.

Le président: La parole est à M. Foster.

M. Foster: Monsieur le président, je suis d'accord avec le but du bill parce que les montants payés jusqu'ici n'étaient pas suffisants mais j'aimerais que l'on établisse des limites plus élevées que celles qu'a mentionné le ministre. Je crois que dans plusieurs régions de notre pays, les vaches laitières en bonne condition valent de \$500 à \$1,000, surtout pour les pur-sang. Cela est peut-être un peu trop pour les vaches de sang mêlé.

Mais on devrait songer à donner aux cultivateurs la différence entre le prix qu'ils obtiendraient pour la peau et le prix du marché. Je crois que la plupart des cultivateurs sont raisonnables et qu'ils accepteraient cela. Il ne s'agit pas d'un grand nombre de bestiaux, comme lorsque nous étions en butte à la brucellose et à la tuberculose. Mais nous traitons avec un cultivateur qui a seulement quelques vaches à son compte.

A part cela, je pense que nous devrions payer une certaine indemnité au cultivateur pour défrayer le coût de son programme de désinfection. Lorsque je pratiquais, le montant de l'indemnité pour un ou deux animaux n'était pas suffisant pour défrayer le coût de la désinfection. Et on peut dire que le cultivateur se débarrasse d'un animal malade, mais il perd l'animal et aussi il a des frais pour la désinfection, un projet important sur certaines fermes. D' McClenaghan, environ, quel est le nombre de bestiaux que l'on condamne chaque année, les pur-sang et les animaux de sang mêlé?

M. McClenaghan: Pour la tuberculose et la brucellose, le nombre d'animaux condamnés serait moins de 4,000. Malheureusement, je ne peux pas vous donner les chiffres détaillés, mais je pourrais procurer ces détails au Comité lors de la prochaine réunion.

[Text]

Mr. Horner: Mr. Chairman, I have a supplementary. Is compensation paid for animals condemned for brucellosis?

Dr. McClenaghan: Yes, in the same way as for tuberculosis and John's disease.

Mr. Foster: Of this number, would about a quarter be pure-breds?

Dr. McClenaghan: Less than a quarter. I think it is only about 8 to 10 per cent pure-breds.

The Chairman: I have on my list Mr. Peters and Mr. Moore. Mr. Peters.

Mr. Peters: Mr. Chairman, I have listened with interest to the comments of Mr. Foster, who has a special ability in this field because of his relationship with a number of farmers and obviously it is not oriented to just one area. I have had a number of complaints and certainly in the case of pure-bred cattle the compensation has not been sufficient to be considered compensation. It has been a payment, a subsidy for having disposed of them but it is not compensation. I would like to move that Clause 1 (b) be amended to read: "80 per cent of the replacement value of the animal", instead of "as may be prescribed by the Governor in Council for pure-bred and for grade animals" and that compensation for salvage value as well be left in this clause.

I say 80 per cent, Mr. Chairman, because of what the Minister has said on other occasions. It has not happened to my knowledge, but some people could take advantage of this to dispose of a herd. This is possible, I presume, but not likely. I could see the amount being higher except for the statement the Minister has made on a number of occasions. This may have been the experience of the Department. This would allow, particularly where pure-bred cattle are concerned, for a reasonable replacement and still allow, as the insurance would, for the loss of 20 per cent of the animal and the cost of replacing an animal in a relatively high category.

• 1145

From my experience with my parents' herd I would say that for Holstein pure-bred cattle the average price is about \$475 but some of the cattle are worth \$1,200 to \$1,400. The average price of a pure-bred Holstein would be \$475 and a grade would probably be somewhere over \$350.

The Chairman: Gentlemen, we have reached the hour of adjournment. May I suggest, Mr. Peters, that you prepare your

[Interpretation]

M. Horner: Question supplémentaire, monsieur le président. Est-ce que l'on paie une indemnité pour les animaux condamnés pour la brucellose?

M. McClenaghan: Oui la même chose que pour la tuberculose.

M. Foster: Est-ce qu'environ un quart de ces animaux seraient des pur-sang?

M. McClenaghan: Moins d'un quart de pur-sang. Je pense qu'il s'agit seulement de 8 à 10 p. 100 des pur-sang.

Le président: Sur ma liste, j'ai MM. Peters et Moore. Monsieur Peters.

M. Peters: Je m'intéresse aux commentaires de M. Foster, monsieur le président, parce que l'intervenant est au courant de la question. Pour ma part, je n'ai pas de relation directe avec les producteurs de produits laitiers. Mais j'ai entendu des plaintes, surtout dans le cas des animaux pur-sang, et on a trouvé que l'indemnité n'était pas suffisante. Il ne s'agit pas d'une véritable indemnisation. Je propose que l'article (1) soit modifié dans le paragraphe b), ligne 16: qu'on ajoute «80 pour 100 de la valeur de l'animal» et que l'on enlève les termes: «montant maximum que peut prescrire le gouverneur en conseil» etc.

Je dis 80 p. 100. Il est possible qu'il y ait des abus, que les gens essaient de se débarrasser d'un troupeau. On pourrait emprunter les montants. Mais comme l'a dit le ministre, il y a des gens qui essaient de se débarrasser de certains troupeaux. Il y a eu des cas, le ministère a eu vent de cas semblables. Comme le fait l'assurance, l'indemnisation permet au cultivateur, au producteur, de remplacer les animaux détruits.

D'après mon expérience, d'après les troupeaux de mes parents, le coût de remplacer un animal *Holstein* est de \$475. Certains animaux valaient de \$1,200 à \$1,400. Mais le prix moyen serait d'environ \$475; et pour un animal de sang mêlé, la moyenne serait de \$350 environ.

Le président: Messieurs, c'est le moment de lever la séance. Et monsieur Peters, je vous propose de préparer votre amendement con-

[Texte]

amendment in consultation with the Parliamentary Counsel and bring it in written form to our next meeting which will be on Thursday morning at 9.30. The place will be announced.

Gentlemen, if in the future we do have amendments to present to the Committee it would be helpful if you thought them out in advance and prepared them carefully with the help of the Parliamentary Counsel, Dr. Ollivier.

Gentlemen, the matter of being observers to the Agricultural Congress came up at an earlier meeting. Mr. Minister, would you say a word?

Mr. Olson: I raised the question and the members were going to give some consideration to it. My suggestion was that we would issue an invitation to all members of the Committee to attend as observers and for other reasons, but I do not want to repeat the reasons. If that is agreeable we will issue the invitations.

Some hon. Members: Agreed.

The Chairman: Shall Clause 1 stand?

Some hon. Members: Agreed.

The meeting is adjourned to the call of the Chair.

[Interprétation]

jointement avec le conseiller parlementaire et de nous l'apporter jeudi matin, à 9 heures 30, lors de la prochaine séance. Le lieu de réunion sera annoncé. Messieurs, si à l'avenir vous avez des amendements à présenter au Comité, il serait utile que vous en discutiez d'avance, que vous les prépariez avec la collaboration du conseiller juridique parlementaire, M. Ollivier. Une dernière question, messieurs,—attention s'il-vous-plaît,—au sujet des observateurs au congrès de l'agriculture, a été soulevée lors d'une réunion préalable. Monsieur le ministre.

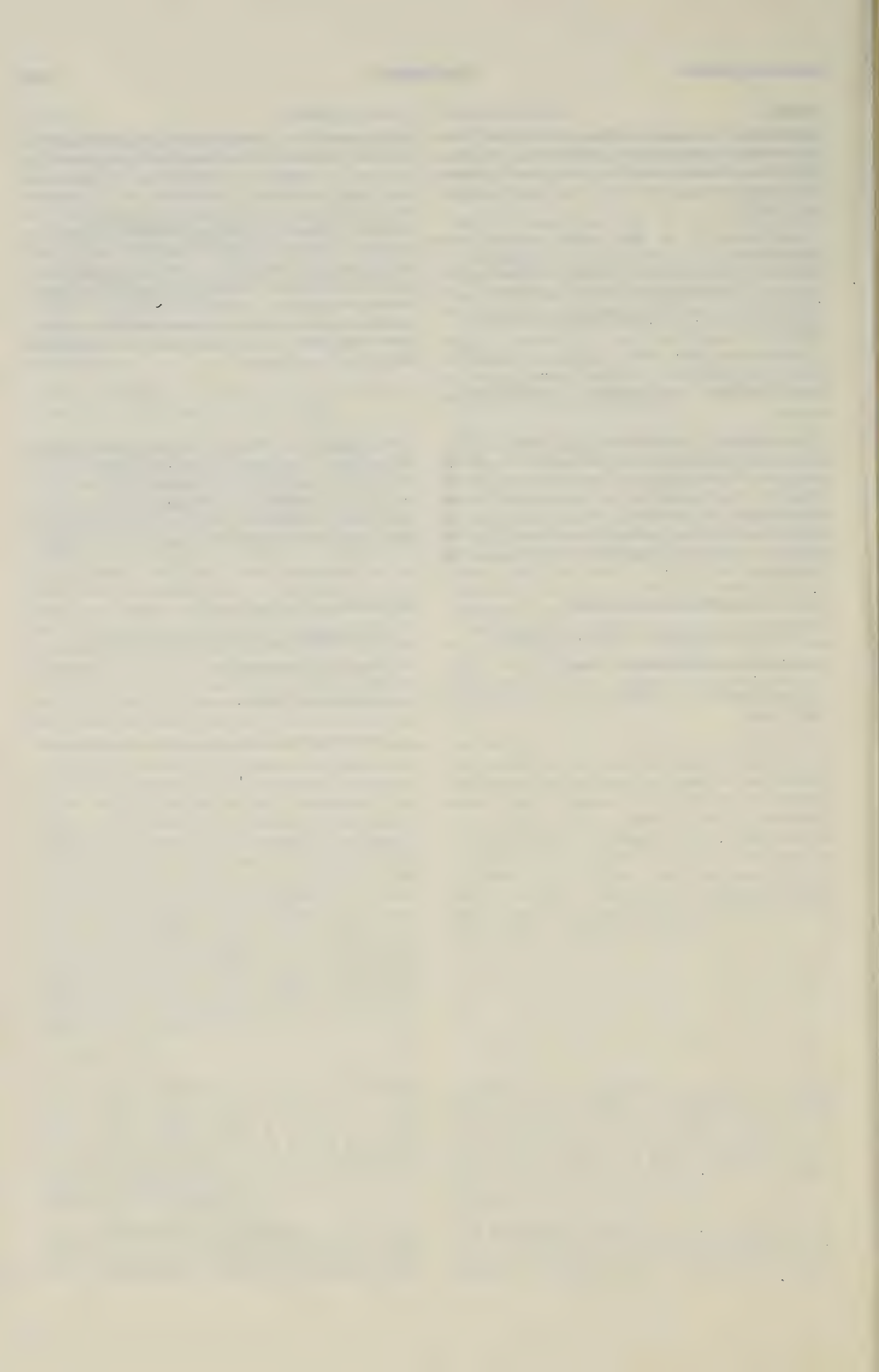
M. Olson: J'ai dit que nous allions étudier la question. J'ai pensé que l'on pourrait inviter tous les membres du Comité à participer à la réunion à titre d'observateurs. Je ne répéterai pas les raisons, mais si vous êtes d'accord, vous êtes invités à assister à ce Congrès.

Des voix: D'accord.

Le président: L'article 1 est réservé?

Des voix: D'accord.

La séance est levée.



OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 19

THURSDAY, FEBRUARY 13, 1969

LE JEUDI 13 FÉVRIER 1969

Respecting

Concernant

BILL C-156,

Le BILL C-156,

An Act to amend the Animal Contagious
Diseases Act.

Loi modifiant la Loi sur les épizooties.

BILL C-112,

Le BILL C-112,

An Act to amend the Farm Machinery
Syndicates Credit Act.

Loi modifiant la Loi sur le crédit accordé
aux syndicats de machines agricoles.

Including Fifth Report to the House

Y compris le cinquième Rapport
à la Chambre

Appearing:

A comparu:

Minister of Agriculture

Hon. H. A. Olson

Ministre de l'Agriculture

LIBRARY

WITNESSES—TÉMOINS

(See Minutes of Proceedings) ★

(Voir les procès-verbaux)

THE QUEEN'S PRINTER, OTTAWA, 1969
L'IMPRIMEUR DE LA REINE, OTTAWA, 1969

STANDING COMMITTEE ON AGRICULTURE

Chairman
Vice-Chairman

and Messrs.

¹ Barrett,
Clermont,
Cobbe,
Danforth,
Douglas,
Foster,
Gauthier,
Gleave,
Horner,
Howard (*Okanagan
Boundary*),

Mr. Bruce S. Beer
M. Marcel Lessard
(*Lac-Saint-Jean*)

Korchinski,
Lambert (*Bellechasse*),
La Salle,
LeBlanc (*Rimouski*),
Lefebvre,
Lind,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),
Peters,
Pringle,

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

COMITÉ PERMANENT DE L'AGRICULTURE

Président
Vice-président

et MM.

Roy (*Laval*),
St-Pierre,
Southam,
Smith (*Northumberland-
Miramichi*),
Thomson (*Battleford-
Kindersley*),
Whicher,
Yanakis—(30).

¹ Replaced Mr. Turner (*London East*)
on February 13, 1969.

¹ Remplace M. Turner (*London-Est*), le
13 février 1969.

REPORT TO THE HOUSE

THURSDAY, February 13, 1969.

The Standing Committee on Agriculture has the honour to present its

FIFTH REPORT

Pursuant to its Order of Reference of Tuesday, January 14, 1969, your Committee has considered Bill C-156, An Act to amend the Animal Contagious Diseases Act, and has agreed to report it without amendment.

A copy of the Minutes of Proceedings and Evidence relating to this Bill (*Issues Nos. 15, 18 and 19*) is tabled.

Respectfully submitted,

Le président,
BRUCE S. BEER,
Chairman.

RAPPORT À LA CHAMBRE

Le JEUDI 13 février 1969.

Le Comité permanent de l'agriculture a l'honneur de présenter son

CINQUIÈME RAPPORT

Conformément à l'ordre de renvoi du mardi 14 janvier 1969, le Comité a étudié le Bill C-156, Loi modifiant la Loi sur les épizooties, et il est convenu de rapporter ledit bill sans amendement.

Un exemplaire des procès-verbaux et témoignages relatifs à ce bill (*fascicules n° 15, 18 et 19*) est déposé.

Respectueusement soumis,

[Text]

MINUTES OF PROCEEDINGS

THURSDAY, February 13, 1969.
(22)

The Standing Committee on Agriculture met at 9:53 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Danforth, Douglas, Gauthier, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), Lind, Lessard (*Lac-Saint-Jean*), McKinley, Moore (*Wetaskiwin*), Pringle, Roy (*Laval*), Smith (*Northumberland-Miramichi*), Southam, Thomson (*Battleford-Kindersley*), Whicher—(22).

Also present: Mr. C. Turner, M.P.

Witnesses: From the Department of Agriculture: The Honourable H. A. Olson, Minister; Mr. S. B. Williams, Deputy Minister; and from the Farm Credit Corporation: Mr. G. Owen, Chairman.

The Committee resumed consideration of Clause 1 of Bill C-156, An Act to amend the Animal Contagious Diseases Act.

Following questioning of the Minister and Mr. Williams, Clause 1 was carried.

Clause 2 was carried after some questions.

Clause 3, the title and the bill were carried, and it was agreed that the Chairman would report it without amendment.

The Committee entered upon consideration of Bill C-112, An Act to amend the Farm Machinery Syndicates Credit Act.

Clause 2 was allowed to stand.

On Clause 3, Mr. Douglas moved an amendment:

That clause 3 of Bill C-112, An Act to amend the Farm Machinery Syndicates Credit Act, be amended by adding thereto,

[Traduction]

PROCÈS-VERBAUX

JEUDI 13 février 1969.
(22)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 53, sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Clermont, Cobbe, Danforth, Douglas, Gauthier, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), Lind, Lessard (*Lac-Saint-Jean*), McKinley, Moore (*Wetaskiwin*), Pringle, Roy (*Laval*), Smith (*Northumberland-Miramichi*), Southam, Thomson (*Battleford-Kindersley*), Whicher—(22).

De même que: M. C. Turner, député.

Témoins: Du ministère de l'Agriculture: L'honorable H. A. Olson, ministre; M. S. B. Williams, sous-ministre. *De la Société du crédit agricole:* M. G. Owen, président.

Le Comité reprend l'examen de l'article 1 du Bill C-156—Loi modifiant la Loi sur les épizooties.

Le Ministre et M. Williams sont interrogés, puis l'article 1 est adopté.

L'article 2 est adopté, après quelques questions.

L'article 3, le titre et le bill sont adoptés, et il est convenu que le président fera rapport du bill sans modification.

Le Comité passe à l'examen du Bill C-112—Loi modifiant la Loi sur le crédit accordé aux syndicats de machines agricoles.

L'article 2 est réservé.

Sur l'article 3, M. Douglas propose la modification suivante:

Que l'article 3 du bill C-112, Loi modifiant la Loi sur le crédit accordé aux syndicats de machines agricoles, soit modifié

immediately after section 3 thereof on page 2, the following section:

Agreement
re Indians
on reserves

"3A. (1) With the approval of the Governor in Council, the Corporation may enter into an agreement with the Minister of Indian Affairs and Northern Development

(a) for the purpose of enabling loans to be made under this Act to bands engaged in farming operations on reserves where at least three members of any such band who have attained the age of twenty-one years are engaged in the farming operations of the band and at least two of those members are principally occupied in such farming operations; and
(b) for the purpose of providing such security as the Corporation may require under paragraph (b) of subsection (2) of section 3 in respect of loans made to farm syndicates

(i) that are co-operative farm associations of farming corporations, the members or shareholders of which are Indians on reserves, or

(ii) that are associations referred to in subparagraph

(iii) of paragraph (c) of subsection (1) of section 2, the members of which are Indians on reserves or farming corporations the shareholders of which are Indians on reserves.

Application
of other
provisions
of Act to
bands

(2) Where an agreement has been entered into pursuant to subsection (1), a band referred to in paragraph (a) of that subsection shall be deemed to be a farm syndicate for the purposes of this Act and the pro-

par l'insertion, immédiatement après l'article 3 de la loi, à la page 2, de l'article suivant:

"3A. (1) La Société peut, avec l'approbation du gouverneur en conseil, conclure un accord avec le ministre des Affaires indiennes et du Nord canadien

Accord
au sujet des
Indiens
installés sur
des réserves

a) aux fins de permettre l'octroi de prêts en vertu de la présente loi à des bandes qui s'adonnent à des opérations agricoles sur des réserves lorsqu'au moins trois membres de la bande qui ont atteint l'âge de vingt et un ans s'adonnent aux opérations agricoles de la bande et qu'au moins deux de ces membres ont pour principale occupation ces opérations agricoles; et

b) aux fins de fournir la garantie que la Société peut exiger en vertu de l'alinéa b) du paragraphe (2) de l'article 3 en ce qui concerne les prêts consentis à des syndicats agricoles

(i) qui sont des coopératives agricoles ou des corporations d'agriculture dont les membres ou les actionnaires sont des Indiens installés sur des réserves, ou

(ii) qui sont des associations visées au sous-alinéa

(iii) de l'alinéa c) du paragraphe (1) de l'article 2, dont les membres sont des Indiens installés sur des réserves ou des corporations d'agriculture dont les actionnaires sont des Indiens installés sur des réserves.

(2) Lorsqu'un accord a été conclu en conformité du paragraphe (1), une bande visée à l'alinéa a) de ce paragraphe est considérée comme un syndicat agricole aux fins de la présente loi et les dispositions de la pré-

Application
des autres
dispositions
de la loi à
des bandes

visions of this Act, in so far as practicable, shall apply to all loans made or to be made to that band.

Security
for loans
to bands

(3) Where a loan is made or to be made to a band referred to in paragraph (a) of subsection (1), the loan shall be secured in such manner as may be required by the agreement entered into pursuant to subsection (1).

Maximum
loan to
a band

(4) The total amount outstanding of loans that may be made to any one band under this Act shall not exceed the lesser of one hundred thousand dollars or the amount obtained by multiplying fifteen thousand dollars by the number of members of the band engaged in the farming operations of the band at the time the loan is made, except that where the number of such members principally occupied in the farming operations of the band is equal to or less than the number of such members not principally so occupied, the number of such members not principally so occupied shall be deemed to be one less than the number principally so occupied.

Regulations

(5) With the approval of the Governor in Council, the Corporation may make regulations providing for any matter or thing that it deems necessary in order to make or to facilitate the making of loans under this Act to bands referred to in paragraph (a) of subsection (1).

Definition

(6) For the purposes of this section, the words "Indian", "band" and "reserve" have the meanings assigned to them in the *Indian Act*."

sente loi s'appliquent, autant que possible, à tous les prêts consentis ou devant être consentis à cette bande.

Garantie
des prêts
consentis à
des bandes

(3) Lorsqu'un prêt est consenti ou doit être consenti à une bande visée à l'alinéa a) du paragraphe (1), le prêt doit être garanti de la manière qui peut être prescrite dans l'accord conclu en conformité du paragraphe (1).

Prêt
maximum
à une bande

(4) Le montant global non remboursé des prêts qui peuvent être consentis à une même bande en vertu de la présente loi ne doit dépasser ni cent mille dollars ni le montant obtenu en multipliant quinze mille dollars par le nombre de membres de la bande qui s'adonnent aux opérations agricoles de la bande au moment où le prêt est consenti, mais, lorsque le nombre des membres de la bande qui ont pour principale occupation les opérations agricoles de la bande est égal ou inférieur à celui des membres de la bande pour lesquels c'est une occupation secondaire, le nombre de ces derniers est censé être inférieur d'une unité au nombre des premiers.

Règlements

(5) La Société peut, avec l'approbation du gouverneur en conseil, établir des règlements au sujet de toute question ou chose qu'elle estime nécessaire pour lui permettre de consentir des prêts, en vertu de la présente loi, aux bandes visées à l'alinéa a) du paragraphe (1), ou pour en faciliter l'octroi.

Définition

(6) Aux fins du présent article, les mots «Indien», «bande» et «réserve» ont la signification que leur donne la *Loi sur les Indiens*."

The Minister and Mr. Owen answered questions, and with questioning continuing, Clause 3 was allowed to stand.

At 11: 45 a.m., the Committee adjourned to the call of the Chair.

Le Ministre et M. Owen répondent à des questions, puis, l'interrogatoire se poursuivant, l'article 3 est réservé.

A 11 h. 45 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

*Le secrétaire du Comité,
Michael A. Measures,
Clerk of the Committee.*

[Texte]

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, February 13, 1969

• 0953

The Chairman: Gentlemen, if we could come to order, I see a quorum. I regret, of course, that we are a little late in starting. I hope that at subsequent meetings we might be able to meet a little more promptly and adjourn promptly, as we have done in the past. You will have noticed that we are under rather attractive observation this morning, although rather critical observation, and I ask the members of the Committee to be particularly attentive about using their microphones, keeping their papers off their microphones and also keeping their earpieces away from their microphones during the hearing.

Gentlemen, when the Committee rose on Tuesday we were considering Clause 1 of Bill C-156. At that particular time we were threatened with an amendment. The mover is not present. Are there any questions or shall Clause 1 carry? Mr. Moore (Wetaskiwin).

Mr. Moore (Wetaskiwin): My questions more or less concern the proposed amendment. I asked a question at the last meeting on the comparative value of dairy and beef cattle. Figures of between \$120 and \$200 were given as payment for a beef animal that had

• 0955

to be disposed of, and I asked about dairy cattle and, if I remember correctly, I did not get an answer on the estimated price that might be paid for a top flight dairy cow, not necessarily a registered one.

Hon. H. A. Olson (Minister of Agriculture): Mr. Chairman, we can give you some of the average compensation that was paid during the years 1960-61 to 1968-69, but the figures that I have before me are not broken down as between beef and dairy animals. Perhaps Mr. Williams would like to reply, if there is a difference there that is used as a guide in establishing the amounts of compensation to be paid.

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): There is no breakdown available as to the average

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Le jeudi 13 février 1969

Le président: Messieurs, la séance est ouverte. Nous avons quorum. Je regrette que nous commençons si tard. J'espère que pour les réunions futures, nous nous réunirons plus tôt et nous pourrons lever la séance plus tôt, comme par le passé. Vous notez que, ce matin, nous avons des observateurs critiques, mais agréables. Je demanderais aux membres de bien vouloir utiliser leur microphone et ne pas brouiller les papiers près des microphones.

Lorsque le Comité s'est ajourné, nous étions en train d'étudier le Bill C-156, article 1. A ce moment-là, nous étions sous la menace d'un amendement. Le proposeur n'est pas là. L'article 1 est-il adopté? Monsieur Moore (Wetaskiwin).

M. Moore (Wetaskiwin): Cela concerne la modification proposée. J'ai posé une question, lors de la dernière réunion, sur la valeur comparative pour les vaches à lait et les bœufs de boucherie, en ce qui concerne les indemnités pour les animaux abattus. On nous a donné les chiffres de \$120 à \$200 pour des animaux de boucherie. Et, si je me souviens bien je n'ai pas obtenu de réponse concernant la valeur approximative que l'on paierait pour une vache laitière, pas nécessairement une vache pur-sang, mais une vache de bonne qualité.

L'hon. H. A. Olson (ministre de l'Agriculture): Monsieur le président, je pourrais vous donner la moyenne d'indemnité qui a été payée pour les années de 1960-1961, jusqu'à 1968-1969. Je n'ai pas la ventilation des chiffres pour ce qui est de la viande et des vaches laitières, mais M. Williams pourrait vous indiquer quels sont les principes que l'on applique.

M. S. B. Williams (sous-ministre de l'Agriculture): Il n'y a pas de ventilation disponible en ce qui concerne l'indemnité moyenne sur

[Text]

payments on dairy and beef cattle. I think the Committee will appreciate the fact that sometimes it is extremely difficult in certain parts of the country to make a judgment on whether these are beef or dairy animals. As you are well aware, the Dominion Bureau of Statistics has a problem in respect to this and we have followed the policy of not asking our people in the field to identify them by type because there is widely divergent type range as between beef animals and dairy animals.

The maximum amount that will be available under the proposed maximum will be \$200, plus the salvage value of the animal. The historical figures show that the average compensation paid for purebreds in 1968, which is the current fiscal year, was \$133.79, plus the salvage value of the animal. In 1966-67 the figure was \$134.14. In 1964-65 it was \$131.64. The year previous it was \$130.04 and the year before that it was \$129.73. Those are the actual averages for all animals. This includes calves, yearlings, milking cows—it includes everything.

Mr. Moore (Wetaskiwin): Are you speaking of registered animals or eligible ones?

Mr. Williams: Those are purebreds, which we define as registered or eligible for registration in accordance with the pedigree.

Mr. Moore (Wetaskiwin): What would the average figures be for the grades?

Mr. Olson: Mr. Chairman, for 1968-69 it was \$65.49. For 1966-67 it was \$62.91. For the year before, 1964-65, it was \$64.86. For 1962-63 it was \$64.74 and for 1960-61 the average was \$62.98.

Mr. Moore (Wetaskiwin): I have another question in that light. I maintain there is very little difference in value in a top dairy herd between an animal that is registered and one that may not be but might be 10 generations A.I., and there is no difference in appearance, and so on. In this case, though, the maximum would be \$120. Is this correct?

Mr. Olson: We are proposing to recommend to the Governor in Council that the maximum compensation, over and above the salvage value of the carcass, be \$120 for a grade animal.

Mr. Moore (Wetaskiwin): That is the maximum?

Mr. Olson: That is correct.

Mr. Moore (Wetaskiwin): I see. Thank you.

[Interpretation]

les vaches laitières et les bestiaux élevés pour la boucherie. Parfois, il est très difficile de faire une évaluation dans certaines parties du pays, à savoir s'il s'agit de vaches laitières ou d'animaux de boucherie. Le Bureau fédéral de la statistique a un problème à ce sujet, et nous ne demandons pas à nos inspecteurs de nous préciser les types des bestiaux, à cause des grandes différences existant entre les types d'animaux.

Le montant maximum disponible, d'après la proposition, est de \$200 plus la valeur de la carcasse. Les données statistiques indiquent que pour les pur-sang, l'indemnité moyenne payée en 1968, c'est-à-dire l'année financière en cours, est de \$133.79 plus la valeur de la carcasse. En 1969, le chiffre était de \$134.14. En 1964-1965, \$131.64; l'année précédente, \$130.04, et, l'année d'avant, \$129.69. Ce sont les moyennes pour tous les bestiaux, y compris les veaux d'un an, les vaches à lait, etc...

M. Moore (Wetaskiwin): Vous parlez des animaux enregistrés?

M. Williams: Il s'agit d'animaux pur-sang que nous définissons comme animaux susceptibles d'être enregistrés ou déjà enregistrés.

M. Moore (Wetaskiwin): Quelles sont les moyennes pour les bêtes de sang mêlé?

M. Olson: Monsieur le président, pour l'année 1968-1969, \$65.49; pour 1966-1967, \$62.91; l'année précédente, 1964-1965, \$64.86; pour 1962-1963, \$64.74; pour 1960-1961, \$62.98.

M. Moore (Wetaskiwin): Une autre question dans le même sens. Je pense qu'il n'y a pas beaucoup de différence dans un troupeau laitier de première qualité, entre un animal de pure race, et un animal qui ne l'est pas, mais qui descend de 10 générations de qualité A1. Il n'y a pas de différence dans l'apparence, etc. Dans ce cas, cependant, le maximum serait \$120 n'est-ce pas?

M. Olson: Nous proposons de recommander au gouverneur en conseil que l'indemnité maximum, en plus de la valeur de la carcasse, soit de \$120 pour un animal de sang-mêlé.

M. Moore (Wetaskiwin): C'est le maximum, n'est-ce pas?

M. Olson: Oui.

M. Moore (Wetaskiwin): Merci.

[Texte]

The Chairman: Thank you, Mr. Moore. Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): This is in further reference to Mr. Moore's question. For example, I knew a dairy man who paid, I think \$400 for a grade cow and this particular cow died of bloat, or something, and I just wonder if \$200 is a realistic figure for this type of animal. I am not moving the amendment, or anything like that, or arguing in favour of it, I am asking the Minister—particularly in reference to dairy animals—what he would think of, say, a 75 or 80 per cent adjustment figure, or something of this sort. I have had beef animals die on me from lightning, or what have you, and received no recompense for it.

Mr. Olson: If you are referring to this bill, there is no way under it that we could pay for the loss of an animal unless it came under the diseases that are included in the Act.

•1000

Mr. Thomson (Battleford-Kindersley): I am sorry, Mr. Chairman, if I left the wrong impression, but I was using this as an example. This fellow paid \$400 for a cow and it died. It could have died from a contagious disease or they could have required that it be shot for this reason. I am asking what he might think—if it were under contagious diseases—of a 75 or 80 per cent adjustment figure. I am wondering if \$200 is realistic.

Mr. Olson: We think it is realistic. Indeed, the amount of the increase is substantially more; it is whatever the percentage is from \$140 to \$200. I think what we also should take into account is that under this program the Department is trying to help the farmer, and not only by way of paying some compensation for the animals that must be taken out of his herd—in other words, that are reactors to the diseases—but also to eradicate the disease from this herd, and in that respect a great deal of assistance is provided to the farmer other than the compensation that is paid.

Mr. Thomson (Battleford-Kindersley): May I comment further? I do not really complain about the average farmer who perhaps loses a cow or two because of something like this, but I am thinking of the hoof and mouth outbreak in Saskatchewan which...

Mr. Olson: These figures do not apply in that kind of case. We pay full value under an eradication program.

[Interprétation]

Le président: Merci, monsieur Moore. Monsieur Thomson (Battleford-Kindersley).

M. Thomson (Battleford-Kindersley): Simplement dans la suite de la question de M. Moore, je connais un éleveur laitier qui paie \$400, par exemple, pour un animal de qualité et qui est mort de météorisation ou d'une maladie quelconque. Et je me demande vraiment si \$200 est un chiffre réaliste pour ce genre de bête. Je ne propose pas d'amendement ni quelque chose de ce genre-là. Je pose simplement une question au ministre, notamment, pour les bêtes laitières. Que penserait-il, disons, d'une indemnisation de 75 p. 100 ou 80 p. 100. Je connais des cas où il y a eu des bêtes qui ont été tuées par le tonnerre ou l'éclair et il n'y a pas eu d'indemnité.

M. Olson: Si vous parlez de ce projet de loi, il n'y a rien de prévu dans le projet de loi qui permet de rembourser la perte d'une bête, à moins que cela soit couvert par les maladies mentionnées dans la loi.

M. Thomson (Battleford-Kindersley): Je m'excuse, monsieur le président. Je me servais de cet exemple: une vache de \$400 est morte; elle aurait pu mourir d'une maladie infectieuse et avait pu être abattue. Je demandais simplement ce qui se passera dans le cas des maladies contagieuses. Une indemnité couvrant 75 ou 80 p. 100 de la valeur ne serait-elle pas mieux adaptée. Je me demande si une indemnité de \$200 est vraiment réaliste.

M. Olson: Eh bien! je pense que c'est réaliste. En fait, c'est un peu plus même que le chiffre de base de \$140. Ce que nous devons voir, en fait, c'est que le ministère, dans ce programme, cherche à aider l'agriculteur, non seulement en lui payant une indemnité pour un animal qui doit être retiré de son troupeau, autrement dit, un animal qui pourrait être contaminé, mais également le ministère cherche à supprimer la maladie. Et, à cet égard, il y a une aide considérable apportée à l'agriculteur, en dehors de l'indemnité proprement dite qui lui est payée.

M. Thomson (Battleford-Kindersley): Est-ce que je pourrais faire un autre commentaire à ce sujet. Pour le fermier moyen qui perd une vache ou deux par an, disons que ce n'est pas grave, mais pour ceux qui ont connu la fièvre aphteuse en Saskatchewan...

M. Olson: Non, non. Ces chiffres ne s'appliquent pas à ce genre de cas. Dans ces cas-là, nous payons la totalité du prix dans le cadre d'un programme d'éradication.

[Text]

Mr. Thomson (Battleford-Kindersley): Thank you. That is what I really wanted to know.

The Chairman: Mr. Horner.

Mr. Horner: I just wondered why the amount was stipulated in the old Act and in this bill we are told approximately what it is going to be but it is not stipulated. Is there any reason...

Mr. Olson: In Clause 1 of this bill it is provided that it shall be prescribed by the Governor in Council and that is done so that we can presumably move it upwards. Perhaps in some cases it will even be downwards in response to the market value of these animals. If it is fixed by statute, such as is the case in the situation we face today where the maximum has not been changed for 11 years and it is necessary to go back to Parliament with an act which is quite often time-consuming, we think it would be better if we had the flexibility so that we could raise or change the maximum by an order in council.

Mr. Horner: But we have had a series of small acts here, every one of them giving the Governor in Council quite a few rights to set the application as to how those acts are really applied. Every one of them is similar to this, changing the previous act by, in a sense, giving the Governor in Council more power to adjust—as you say, perhaps beneficially—to the conditions of the times. But only time will tell really.

Mr. Olson: Well, I am satisfied that the Governor in Council can make changes more rapidly when there is a need to do so in response to the values that we have to seek in the marketplace.

Mr. Horner: In all fairness to the public at large, do you not think that a percentage could be written in, a percentage on replacement value of even 50 per cent? Many times when an animal suffers from a disease, the salvage value of that animal is not very much. But the replacement value of a healthy animal would be quite a bit more.

Mr. Olson: It raises some very severe administrative problems to establish replacement value, because certainly the farmer who owns the animal is going to have a different

[Interpretation]

M. Thomson (Battleford-Kindersley): Merci, c'est tout ce que je voulais savoir.

Le président: Monsieur Horner.

M. Horner: Je voulais simplement savoir quelle était la raison pour laquelle, dans l'ancienne loi, le montant de l'indemnité était défini, alors que, dans cette loi, on nous dit que ce serait un montant approximatif. Est-ce qu'il y a une raison à cela?

M. Olson: Eh bien! il est prévu dans l'article 1 de la loi que le montant sera défini par le gouverneur en conseil.

Et cela nous permettra de l'augmenter disons vers le haut, mais peut-être aussi, à l'occasion, le faire baisser en fonction de la valeur marchande des animaux. Si c'est fixé par statut, cela nous évitera donc de nous trouver dans une situation comme celle dans laquelle nous nous trouvons actuellement, où le prix n'a pas été modifié depuis 11 ans et où il nous faut revenir devant le Parlement pour pouvoir faire cette modification, ce qui implique beaucoup de travaux et de délais. Il vaudrait mieux qu'il y ait plus de souplesse et que nous puissions élever ou modifier le maximum par arrêté ministériel.

M. Horner: Mais nous avons ici une série de petites lois, et chacune donne au gouverneur en conseil suffisamment de pouvoir pour décider de quelle manière ces lois doivent être appliquées. Chacune de ces lois est semblable à celle-ci; elle modifie la loi précédente en donnant, en un sens, plus de pouvoirs au gouverneur en conseil pour faire des ajustements—peut-être de façon avantageuse, comme vous le dites—en fonction de la situation du moment. Mais on ne le saura vraiment qu'avec le temps.

M. Olson: Pour ma part, je suis convaincu que le gouverneur en conseil pourra faire des modifications beaucoup plus rapidement lorsque cela sera nécessaire pour réagir aux valeurs que nous devons rechercher sur le marché.

M. Horner: En toute justice à l'égard du grand public, ne pensez-vous pas qu'il serait préférable de fixer un pourcentage sur la valeur du remplacement, même de l'ordre de 50 p. 100? Souvent, lorsqu'une bête souffre d'une maladie, la valeur de l'indemnité de récupération de la bête n'est pas énorme. Mais la valeur de remplacement d'une bête en bonne santé serait beaucoup plus élevée.

M. Olson: Cela soulève des problèmes d'administration très compliqués lorsqu'il s'agit de fixer cette valeur de remplacement, car évidemment, l'éleveur qui possède la bête va

[Texte]

idea of what the value is than perhaps if he could have taken that animal and tested its value in the marketplace.

Mr. Horner: Yes, but I differ with you there. At the time of the testing of the animal, it is suffering from a contagious disease. I think that a good grade Holstein milk cow with a production of so many thousand gallons a year can be pretty easily replaced by one of comparable standards, perhaps not quite as good, but in some cases perhaps a little better. The same thing applies with a good beef range cow. I think the value could be easily arrived at.

• 1005

Mr. Olson: There may be some cases, Mr. Horner, where it would not be difficult to establish replacement value on a fair basis, but I suggest to you that if we write it into the act, then it is rigid and it has to be done for all classes of animals, and this would include other situations where it would not be so easy to determine the replacement value.

Mr. Horner: One other question under Clause 1. Have you reached any decision with regards to an upward or a downward movement in the case of horses?

Mr. Olson: There are only two diseases covered in this act and they are dourine and glanders. The last case of dourine was in 1909; the last case of glanders was in 1938. However, some five years ago there was a compensation paid because there were reactors, not necessarily that they had the disease, but reactors—suspicion if you want to call it that. But inasmuch as there does not seem to be, at this time, any practical reason to change it, because it is not being used, we would not recommend that the values be changed, at this time. I think they are at \$100 and \$200 now.

The Chairman: Thank you Mr. Horner. I now recognize Mr. Gauthier.

• 1006½

M. Gauthier: Ma question s'adresse au ministre de l'Agriculture. Vous nous avez dit, tout à l'heure, que vous pensiez suggérer une somme de \$120 pour les vaches laitières pur-sang. Voulez-vous aussi suggérer un montant plus élevé pour les vaches qui ne sont pas pur-sang, ou si la somme va demeurer encore à peu près 50 p. 100 de la somme payée pour les vaches laitières pur-sang?

[Interprétation]

avoir une idée complètement différente de sa valeur qu'il n'en aurait eu s'il avait pu emmener sa bête sur le marché et avait pu en vérifier le prix sur place.

M. Horner: Oui, mais je ne suis pas d'accord avec vous. Au moment où l'animal est mis à l'épreuve, il souffre d'une maladie contagieuse. Je pense qu'une vache laitière Holstein de bonne qualité, qui produit tant de milliers de gallons de lait par an, peut-être facilement remplacée par une vache d'une qualité semblable—peut-être pas aussi bonne, mais parfois aussi un peu meilleure. Il en est de même d'une bonne vache de pâturage libre élevée pour sa viande. Je pense que l'on pourrait facilement obtenir une valeur approximative.

M. Olson: Monsieur Horner, il y a certainement des cas où il ne serait pas difficile de fixer une valeur de remplacement équitable. Mais je dirais que si l'on fixe cela dans la loi, ce sera rigide et il faudra le faire pour toutes les catégories de bêtes; et, à ce moment-là, cela comprendrait également d'autres cas où il ne serait pas aussi facile de déterminer la valeur de remplacement de la bête.

M. Horner: Une autre question au sujet de l'article 1. Est-ce que vous avez pris une décision en ce qui concerne les augmentations ou les diminutions dans le cas des chevaux?

M. Olson: Il n'y a que deux maladies visées par cette loi: la dourine et la morue. Le dernier cas de dourine s'est produit en 1909, et le dernier cas de morue en 1938. Toutefois, il y a cinq ans, on a dû verser des indemnités pour certaines bêtes qui n'étaient pas forcément malades, mais qui avaient réagi positivement aux tests. Mais étant donné qu'il ne semble pas y avoir pour le moment, de raisons pratiques de modifier ces valeurs, puisque l'on ne s'en sent pas, nous ne recommandons pas, à l'heure actuelle, pareille modification. Je crois que le taux actuel est de \$100 et de \$200.

Le président: Merci, monsieur Horner. Je donne la parole à M. Gauthier.

Mr. Gauthier: My question is directed to the Minister of Agriculture. Sir, you told us earlier that you were in favour of suggesting \$120 for pure-bred dairy cows. Do you also want to suggest a higher amount for cross-bred cows, or would this be kept at about the same level of 50 p. 100 of the amount paid for pure-bred dairy cows?

[Text]

Mr. Olson: No, what I suggested was that we were going to recommend to Governor in Council that we change the maximum from \$70 to \$120 for grade animals—those are animals that are not registered or not eligible for registration—and to change the amount from \$140 to \$200 on animals that are either registered or eligible for registration as pure-bred animals.

Mr. Gauthier: Vous dites \$140 à \$200. La carcasse y est elle comprise?

Mr. Olson: No, this is compensation that would be paid, and it would be in addition to the value of the carcass.

Mr. Gauthier: Que suggérez-vous pour les animaux, les vaches laitières qui ne sont pas pur-sang?

Mr. Olson: Cross-bred animals would fall into the category of grade animals. When we talk about pure-bred animals, we are talking about animals, as I said, that are either registered or eligible for registration.

• 1008

Mr. Gauthier: En termes monétaires, qu'est-ce que cela donnerait au cultivateur qui a un troupeau de vaches qui ne sont pas pur-sang?

Mr. Olson: For cross-bred animals it would be \$120 plus the value of the carcass, which is \$50 more than it is now.

The Chairman: I will now recognize Mr. Southam.

Mr. Southam: Thank you, Mr. Chairman. My question is in regard to animals that would be ordered slaughtered due to rabies. Does this legislation cover animals under this circumstance?

Mr. Olson: I will ask Mr. Williams to answer that.

Mr. Williams: Mr. Chairman, there is no program for animals ordered slaughtered due to rabies. In the case of rabies we do not have any method of detecting the disease until it is in the terminal stages and the animal invariably dies, so there is no program of ordering slaughtering. For the ones that are ordered slaughtered, it is possible a very long time in advance, or it may be a very long time in advance, through a blood test or some other type of test, to determine that this animal is going to get the disease or is a carrier of the disease.

These are the diseases that are covered by this part of this act. We are only dealing with

[Interpretation]

Mr. Olson: Non, ce que j'ai proposé, c'est que l'on recommande au gouverneur en conseil de faire passer le maximum de \$78 à \$120 pour les animaux de qualité—c'est-à-dire les animaux qui ne sont pas enregistrés ou ne peuvent pas être enregistrés—et de le faire passer de \$140 à \$200 pour les animaux qui soit sont enregistrés, soit sont admissibles à l'enregistrement comme animaux de race.

Mr. Gauthier: You say from \$140 to \$200. Does that include the carcass?

Mr. Olson: Non, il s'agit d'une indemnité qui serait versée et qui viendrait s'ajouter à la valeur de la carcasse.

Mr. Gauthier: What do you suggest for cross-bred animals and dairy cross-bred cows?

Mr. Olson: Les animaux de race croisée entreraient dans la catégorie des animaux de qualité. Quand nous parlons d'animaux de race, nous voulons parler d'animaux, comme je l'ai dit, qui soient enregistrés ou soient admissibles à l'enregistrement.

Mr. Gauthier: What would it give the farmer in terms of money if he has a herd of cross-bred cows?

Mr. Olson: Pour les animaux de race croisée, ce serait \$120 en plus de la valeur de la carcasse, soit \$50 de plus que maintenant.

Le président: Monsieur Southam, vous avez la parole.

Mr. Southam: Je vous remerci, monsieur le président. Ma question concerne les animaux qui doivent être abattus par suite de la rage. Ce projet de loi prévoit-il une indemnisation pour les animaux atteints de cette maladie?

Mr. Olson: Je vais demander à M. Williams de bien vouloir répondre à cette question.

Mr. Williams: Monsieur le président, il n'y a pas de programme de prévu pour l'abattage des animaux atteints de la rage. Nous n'avons pas de méthode pour détecter la rage tant que la maladie n'a pas atteint le stade final, où l'animal meurt de toute façon, et il n'y a donc pas de programme pour ordonner l'abattage. Dans le cas des animaux que l'on ordonne d'abattre, il est possible de déterminer très longtemps à l'avance, par une analyse du sang ou par quelque autre test, que l'animal va attraper la maladie ou peut éventuellement en être porteur.

Ce sont là les maladies prévues par cette partie de la loi, dont nous n'étudions qu'une

[Texte]

a part of the act. Rabies are covered by a completely different provision, and it is provided by a vote title under which we compensate the owner through the province for part of the cost. They are provincial programs, and they cover animals that have not been ordered slaughtered, but animals that have died from this disease. The arrangements vary somewhat from province to province, and not all the provinces are involved. But animals that die from rabies are not covered under this act at all.

Mr. Southam: I brought up the question, Mr. Chairman, because of an unfortunate circumstance we had several years ago in south-eastern Saskatchewan when rabies were detected. The animals died, the veterinarian sent the head away, an examination was made and it was decided that rabies was the cause of death. Once this happened of course the farmer affected made application for compensation but was told that it was not available. I think the point that you made follows, Mr. Williams, that as this is a provincial-federal program there must be enabling legislation to pay compensation for animals affected by rabies.

Could you tell me whether Saskatchewan is involved in this enabling legislation? How many provinces are affected.

Mr. Williams: At the present time four provinces have a joint program with the federal government and Saskatchewan is one of those provinces. However, I think Saskatchewan just entered the program about a year ago. So the particular animals about which you spoke may not have been covered by it. There may not have been a program at that time.

Mr. Southam: Yes, after investigating it, I understand, that Saskatchewan was not in at that time. Has any thought been given to increasing the compensation in respect of animals affected by rabies under the Animal Contagious Diseases Act, or are they increasing the compensation now because of the increased value of livestock?

Mr. Williams: It is not relevant under this bill in that the payments that we make are paid by a vote title, not by this bill.

Mr. Southam: Is there any thought being given to increasing the compensation due to death through rabies?

Mr. Williams: The arrangements with the four provinces concerned at the present

[Interprétation]

portion. La rage est prévue dans une disposition entièrement différente, sous forme d'un crédit par lequel nous indemnisons le propriétaire, par l'intermédiaire de la province, pour une partie des coûts. Ce sont des programmes provinciaux qui visent les animaux que l'on n'a pas ordonné d'abattre, mais qui sont morts de cette maladie. Les accords varient d'une province à l'autre, et toutes les provinces ne sont pas visées par ce programme. Mais la présente loi ne prévoit absolument pas d'indemnisation pour les animaux qui meurent de la rage.

M. Southam: J'ai soulevé la question, monsieur le président, à cause d'une situation malheureuse dans le sud-ouest de la Saskatchewan, il y a plusieurs années, où on avait décelé de la rage. Les animaux sont morts, la tête a été expédiée par le vétérinaire, on a fait des examens et on a décidé que c'était la rage qui avait causé le décès. Une fois la chose arrivée l'agriculteur a évidemment demandé une indemnité, mais on lui a dit qu'aucune n'était disponible. Je pense, M. Williams, que, en ce qui concerne l'indemnité de la rage, cela confirme ce que vous disiez; c'est-à-dire que c'est un domaine provincial-fédéral où il faut une loi spéciale.

Pourriez-vous me dire si la Saskatchewan est couverte par cette loi? Combien de provinces sont touchées?

M. Williams: Eh bien, actuellement, il y a quatre provinces qui ont un programme conjoint avec le gouvernement fédéral, dont la Saskatchewan. Mais je pense que ce n'est que très récent. Et par conséquent, les animaux particuliers dont vous avez parlés n'étaient peut-être pas encore couverts. Il n'y avait peut-être pas de programme à cet effet à ce moment-là.

M. Southam: Eh bien, oui, après enquête, je comprends que la Saskatchewan ne participait pas à cette époque. Est-ce qu'il y a une possibilité d'augmenter l'indemnité dans le cas des animaux atteints de la rage dans le cadre de la Loi sur les épizooties autrement dit, augmenter l'indemnité en raison de l'accroissement de la valeur marchande des animaux?

M. Williams: Non, ce n'est pas prévu dans le présent bill dans la mesure où les versements que nous faisons sont prévus par un crédit spécial.

M. Southam: Est-ce qu'on a envisagé d'augmenter l'indemnité dans le cadre des décès par suite de rage?

M. Williams: Eh bien, les dispositions prévues avec les quatre provinces intéressées,

[Text]

moment are such that we pay 40 per cent of the value of the animal and the province pays 60 per cent. So there is a sliding scale involved.

Mr. Southam: But apart from that, now that we are considering under this legislation increasing the amount of payment for compensation is any thought being given to increasing it on a comparative basis?

Mr. Williams: It is automatically increased or decreased as the values of animals change. In other words it is similar to the provision we have for such diseases as foot and mouth—the actual market value is involved here.

Mr. Southam: Thank you, Mr. Chairman.

The Chairman: I recognize Mr. Clermont on a supplementary.

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M. Clermont: Mais M. Williams a spécifié que quatre provinces participaient au programme auquel le préopinant a référé. La province de Québec est-elle une des quatre provinces?

M. Williams: Oui, monsieur.

M. Clermont: Merci.

The Chairman: Thank you, Mr. Clermont. I recognize Mr. Whicher.

Mr. Whicher: Can the farmer not buy insurance in respect of all these diseases?

Mr. Williams: There is generally insurance available against disease but I suspect that it may be more difficult to get coverage on the wasting type diseases about which we are speaking. There is generally coverage available for more terminable or more easily determined diseases and accidents.

For example, I do not believe one could get any insurance against a disease such as mastitis. I do not know that for a fact but there is a bit of a problem when you get into wasting type diseases as opposed to diseases that more or less quickly reach a terminal position and are more easily identified.

Mr. Whicher: Can insurance not be bought against tuberculosis?

Mr. Williams: Yes, I believe so.

Mr. Whicher: I think so too. I realize that it is the wish to give the farmer probably all

[Interpretation]

sons qu'actuellement, du moins, nous payons 40 p. 100 de la valeur de l'animal et la province en paie 60 p. 100; autrement dit, il y a une échelle mobile.

M. Southam: Mais, en dehors de cela, dans la mesure où nous étudions aux termes de la présente loi la possibilité d'augmenter les montants d'indemnité, est-ce qu'on a envisagé de l'augmenter sur une base comparative?

M. Williams: Elle augmente ou diminue au fur et à mesure que la valeur marchande de l'animal varie. Autrement dit, c'est la même chose que ce qui est prévu pour les autres catégories, notamment par exemple, la fièvre aphteuse.

M. Southam: Merci, monsieur le président.

Le président: Monsieur Clermont, une question complémentaire.

Mr. Clermont: But Mr. Williams specified that four provinces participated in the program referred to by the previous speaker. Is the province of Quebec one of those four provinces?

Mr. Williams: Yes, sir.

Mr. Clermont: Thank you.

Le président: Merci, M. Clermont. Monsieur Whicher.

M. Whicher: Dans toutes ces maladies, bien sûr, le fermier peut acheter une assurance, n'est-ce pas?

M. Williams: En général, il y a une assurance mise à la disposition des éleveurs contre les maladies, mais pour certaines des maladies dont nous parlons ici, je pense qu'il est plus difficile d'avoir une assurance. Disons qu'en général les assurances couvrent des maladies ou des accidents qui peuvent se terminer ou être déterminés plus facilement.

Par exemple, il y a des maladies comme la mastite pour laquelle je pense qu'on ne puisse pas obtenir d'assurance. Je ne sais pas de façon certaine, mais je pense qu'il y a un petit problème lorsque l'on tombe dans ces maladies particulièrement dépétissantes par rapport aux maladies qui se terminent plus ou moins rapidement et son plus faciles à repérer.

M. Whicher: Peut-on acheter de l'assurance contre la tuberculose?

M. Williams: Oui, je le crois.

M. Whicher: Je me rends compte qu'il y a risque à donner à l'agriculteur tout ce qu'il

[Texte]

that he can get for these animals but surely, as the farmer is a small businessman, he has to look after himself to some extent. He cannot be looking to the government for everything. That is why I was opposed to the amendment proposed the other day that the government pay 80 per cent of the value of the horse or beef cattle that died. I feel that the farmer too has some responsibility to look after his assets. If he has a \$40,000 barn surely he is not a very good businessman if he only has \$10,000 worth of insurance on it and it happens to burn. I therefore respectfully point out that in my opinion the farmer has an obligation to purchase this insurance and to look after his assets. Thank you.

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The Chairman: Thank you, Mr. Whicher. I recognize Mr. Moore (Wetaskiwin).

Mr. Moore (Wetaskiwin): Before I ask my question might I comment on this insurance question. I have looked into the matter thoroughly and I find that the premiums are too high for most types of cattle insurance, unless the animal is very valuable.

Under the terms of this proposed act can the Governor in Council, in his discretion, go over the proposed \$120-\$200 in any case?

Mr. Williams: If it was the wish of the government to amend it upwards the order in council would have to be changed.

Mr. Moore (Wetaskiwin): That is right, that is the answer.

Are there any figures available of the number of animals destroyed under this program? If so, this would give us an idea of the effectiveness of the testing program.

Mr. Williams: Mr. Chairman, we have all those figures here but it will take us a minute to answer precisely because of the way the question was asked.

Mr. Moore (Wetaskiwin): That is why I gave the reason for asking the question, Mr. Chairman. I do not need the figures; I just want an idea whether the figures show the benefit of these testing programs.

Mr. Williams: I can demonstrate that quite easily, Mr. Chairman. There has been a very sharp reduction in the number of reactors that have been discovered. Brucellosis is the example I am using here. Back in the late fifties and early sixties the numbers were running at around 30,000 ordered slaughtered and on which compensation was paid, and the

[Interprétation]

peut obtenir pour ses animaux mais ce qu'il y a malgré tout c'est que si l'agriculteur est un petit éleveur, il faut qu'il se débrouille un peu tout seul. Il ne peut pas compter sur le gouvernement pour tout. C'est pourquoi je m'opposais à l'amendement soumis l'autre jour selon lequel le gouvernement devrait payer 80 p. 100 de la valeur du cheval ou du bétail décédé. Je pense que l'éleveur a également quelques responsabilités en la matière. Il doit s'en occuper. S'il a par exemple, une grange de \$40,000 et qu'il n'a que \$10,000 d'assurance et qu'elle brûle, il n'est pas un bon homme d'affaires. Je souligne donc, respectueusement qu'à mon avis, le cultivateur a l'obligation d'acheter cette assurance et de voir à ses affaires. Merci.

Le président: Merci monsieur Whicher. M. Moore.

M. Moore (Wetaskiwin): Avant de poser ma question, puis-je faire un commentaire sur cette question d'assurance. J'ai étudiée la question de très près et je constate que les primes sont trop élevées pour la plupart des assurances. Aux termes du présent projet de loi, est-ce que le gouverneur en conseil, à sa discrétion, peut modifier ces deux montants de \$120 et \$200 dans n'importe quel cas?

M. Williams: Si le gouvernement désire faire monter le chiffre, eh bien, il faudra une modification de l'ordre en conseil.

M. Moore (Wetaskiwin): C'est la réponse exacte. Y a-t-il des chiffres indiquant le nombre de bêtes qui ont été abattues dans le cadre de ce programme? Dans l'affirmative, cela pourrait nous donner une idée de l'efficacité de ce programme de tests.

M. Williams: Monsieur le président nous avons tous ces chiffres ici mais pour vous donner une réponse précise, il va falloir une petite minute pour regarder les chiffres.

M. Moore (Wetaskiwin): Voilà pourquoi je vous ai donné la raison de ma question, monsieur le président, c'est simplement pour avoir une idée en fait, pour savoir si les chiffres montrent quels sont les avantages qu'il y a dans les programmes de test?

M. Williams: Je peux vous le montrer, je pense, monsieur le président, très facilement. Il y a eu une réduction très nette dans le nombre de bêtes réactrices. La brucellose est l'exemple employée ici. Vers la fin des années 1950 et au début des années 1960, les chiffres étaient d'environ 30,000 animaux abattus sur lesquels on a donné des indemnités et le coût

[Text]

cost to the federal government ran in the neighbourhood of \$2.2 million. In the current year of 1968-1969 it is anticipated that 5,000 animals will be identified as reactors and ordered slaughtered at a cost of somewhere around \$400,000.

Mr. Moore (Wetaskiwin): Thank you, Mr. Williams.

Mr. Williams: There has been a marked decrease despite the fact that the program of testing has been just as active in these years. The incidence of the disease has been sharply reduced. At the present time the number of reactors found runs about two-tenths of 1 per cent of the animals tested. Formerly, depending upon the area, it ran well up into the percentages—into full figures.

Mr. Moore (Wetaskiwin): Would calfhood vaccination have quite a bearing on those figures?

Mr. Williams: Calfhood vaccination was introduced when the program reached such a level that it was believed to be under control. At the present time the tendency is away from calfhood vaccination because the incidence of the disease has been reduced to such a level that we believe—we are working with the provinces on this because it is a joint federal-provincial program—that if possible we should eliminate the cost of the calfhood vaccination.

It is also felt that on certain export markets vaccinated are not quite as welcome as are non-vaccinated. I suppose we have moved through three stages: no vaccination but full-scale testing and elimination of the disease; a program continuing the elimination through testing coupled with calfhood vaccination to reduce the incidence of the disease; and now we believe it has reached such a level that we can do away with the calfhood vaccination on a planned basis.

Mr. Moore (Wetaskiwin): Yes, but is it not still practised by law in certain areas?

Mr. Williams: That is correct. We are working with the provinces on this matter and moving out of it on a planned basis, depending upon the incidence of the disease and the incidence of reactors within areas.

Mr. Moore (Wetaskiwin): I live in a free area and have not had a reactor in 30 some years. I agree with that.

[Interpretation]

pour le gouvernement fédéral a été d'environ 2.2 millions de dollars.

Actuellement, c'est-à-dire en 1968-1969, on s'attend à ce que 5,000 bêtes soient identifiées et abattues pour environ \$400,000.

M. Moore (Wetaskiwin): Merci, monsieur Williams.

M. Williams: Donc, il y a eu une diminution marquée du nombre de bêtes qui ont été abattues, en dépit du fait que le programme de tests a été aussi poussé au cours de ces années. L'incidence de la maladie a été grandement réduite. Le nombre de réacteurs décelés atteint environ deux dixièmes p. 100 des animaux testés. Auparavant, selon le district, ce chiffre atteignant dans les pourcentages, les chiffres ronds.

M. Moore (Wetaskiwin): Est-ce que la vaccination des veaux, par exemple, a été importante dans ce programme?

M. Williams: Oui, la vaccination des veaux a été introduite dans ce programme lorsqu'il a atteint un tel niveau qu'on a cru avoir atteint le contrôle. Présentement, on s'éloigne de la vaccination des veaux parce que l'incidence de la maladie a été réduite à un tel point que nous croyons travailler avec les provinces parce que (c'est un projet mixte, fédéral-provincial) nous croyons qu'il est possible d'éliminer le coût de la vaccination des veaux. Ce n'est pas encore le cas actuellement. En ce qui concerne les marchés extérieurs, les vaccins ne sont pas toujours aussi bien acceptés.

Enfin, les bêtes vaccinées ne sont pas toujours aussi bien acceptées que les bêtes non vaccinées. Par conséquent, il nous a fallu nous occuper de l'élimination de la maladie et deuxièmement poursuivre un programme de tests à la suite de l'élimination de la maladie afin de réduire les conséquences de la maladie. Nous pensons que maintenant nous pouvons abandonner le programme de vaccination selon un certain programme.

M. Moore (Wetaskiwin): Mais malgré tout, c'est toujours prévu dans la loi, dans certaines régions.

M. Williams: Oui, c'est exact. Dans certaines régions c'est prévu et nous étudions la question de près. Nous allons évaluer l'incidence de la maladie et l'incidence de ces réacteurs dans la région donnée.

M. Moore (Wetaskiwin): Je demeure dans une région qui n'est pas affectée par cette maladie depuis environ 30 années. Donc je

[Texte]

What percentage of the cost of calfhood vaccination is paid by different parties? I know the very small cost to the owner of the calf.

Mr. Williams: I am afraid that I cannot answer that question in detail. As it is a joint program the cost varies from province to province. Basically, the federal share of it is the provision of the vaccine which is produced in our own laboratories free of charge.

Mr. Moore (Wetaskiwin): That is a good enough answer.

The Chairman: I recognize Mr. Lambert.

M. Lambert (Bellechasse): Merci, monsieur le président. Les observations que je voulais faire ont été traitées par M. Horner et M. Gauthier, les explications données par le ministre ont répondu à mes questions. Alors, je n'en ai pas d'autres pour le moment.

The Chairman: Thank you. Mr. Korchinski?

Mr. Korchinski: Do you hope to save money by this new suggestion here that the amounts he set by Order in Council?

Mr. Olson: No, on the contrary. As far as individual farmers are concerned, we will be paying them more. But of course in line with the answer that was given to Mr. Moore, the number of reactors we find is going down. For example, in brucellosis, starting in the year 1963-64 and taking one year at a time, that year there were 23,800 reactors, down to 20,171 to 12,700 to 7,500 and down to 5,600.

So the numbers are going down substantially. There would perhaps be a saving to the federal treasury because of the numbers being reduced. But by changing this Act and increasing the maximum, there will be a greater payment made to the farmers for the animals that are ordered slaughtered.

Mr. Korchinski: So that you feel in the majority of cases the amount of award would be far greater than the existing one at the moment.

Mr. Olson: Yes, we are moving the maximum for grade animals up from \$70 to \$120—at least I have to qualify that by saying that will be our recommendation to the Governor in Council—and on pure-bred animals from \$140 to \$200.

Mr. Korchinski: Do you not expect that in some cases the awards will be less than the existing old rate?

[Interprétation]

n'ai pas ce problème. Je voulais simplement demander quel est le pourcentage du coût de la vaccination des veaux payé par les différentes parties. Je sais qu'il en coûte peu au cultivateur.

M. Williams: Je ne peux pas vous en parler parce que ça varie d'une province à l'autre mais disons que la part fédérale est de fournir le vaccin gratuitement. Nous le produisons dans nos laboratoires.

M. Moore (Wetaskiwin): Je pense que ça suffit comme réponse.

Le président: La parole est à M. Lambert.

Mr. Lambert (Bellechasse): Thank you, Mr. Chairman. The comments I wanted to make have already been dealt with by Mr. Gauthier and Mr. Horner, and the answers given by the Minister actually answered my questions. Therefore, I have no more questions for the time being.

Le président: Monsieur Korchinski.

M. Korchinski: Espérez-vous économiser de l'argent par votre proposition que le gouverneur en conseil fixe les montants?

M. Olson: Non, au contraire. En ce qui concerne chaque agriculteur, nous allons leur donner davantage. Mais, évidemment, à la lumière des réponses données à M. Moore, le nombre d'animaux ayant une réaction positive aux essais diminue, notamment pour la brucellose, depuis 1963-1964 et chaque année par la suite, il y en avait alors 23,800, puis 20,171 l'année suivante, ensuite 12,700, 7,500 puis 5,600.

Il y a donc eu une diminution très nette au cours des années, ce qui entraîne probablement une économie pour le Trésor national. Mais en modifiant la Loi et en augmentant le montant, on augmentera les primes versées aux agriculteurs pour le bétail abattu.

M. Korchinski: Donc, vous pensez que dans la plupart des cas, le montant des primes sera supérieur au montant des indemnités versées actuellement?

M. Olson: Exactement, nous sommes en train de faire monter le chiffre de \$70 à \$120 pour les animaux de sang mêlé, je dois faire la nuance en disant que c'est ce que nous allons recommander au gouverneur en conseil, et de \$140 et \$200 pour les animaux de race.

M. Korchinski: Est-ce que vous ne croyez pas que dans certains cas, les primes seront inférieures aux primes actuelles?

[Text]

Mr. Olson: Yes, but the maximums will have moved up, and so I think it is fair to say also that there will be many cases, indeed in perhaps most cases, there will be a higher compensation paid per animal to individual farmers.

Mr. Korchinski: The next question that I want to ask is, while it may be advantageous to those who may receive awards in comparison to the old rates, do you not anticipate a greater amount of difficulty with farmers who will begin to compare notes and say that in one case an award was greater than in the other? Do you expect a lot of variation in such awards?

Mr. Olson: Well, that could happen. But we have a fairly stiff program in our way of arriving at these values that are paid in so far as compensation is concerned. There is a grading system that takes into account conformation, age, usefulness, and then a formula on the basis of the points that are scored for each one of these to arrive at the amount of the compensation paid. So I do not think there could be great variations, although there may be some, as you have suggested.

Mr. Korchinski: So that there is some sort of a formula...

Mr. Olson: Oh, yes.

Mr. Korchinski: ... that you will be working on, rather than just perhaps looking at the market values from time to time.

Mr. Olson: The market value would also be involved along with these points.

Mr. Korchinski: That is part of the formula then?

Mr. Olson: Yes.

Mr. Korchinski: In determining the market values, would it be during a period of several months or seasons, or do you expect that you will have to determine the market value at the time of death, or during the period when the animal actually contracted the disease? How would you go about determining the value of this at the time?

Mr. Williams: I am not quite certain, Mr. Korchinski, in the questions you are asking about the market value—when we use the term market value—whether this applies to diseases other than the ones we are considering under this act.

When we pay market value it is normally assessed by a group of three people, one

[Interpretation]

M. Olson: Oui, mais malgré tout, les maximums seront augmentés, donc on peut dire que dans de nombreux cas, et en fait dans la plupart des cas, on versera à l'éleveur une prime plus élevée par tête.

M. Korchinski: Une autre question que je voulais vous poser est que, même s'il est avantageux pour ceux qui reçoivent des indemnités par rapport aux taux antérieurs, est-ce que vous ne croyez pas malgré tout qu'il y aura des difficultés avec les éleveurs qui vont commencer à comparer les décisions et constater que les primes sont plus élevées dans un cas que dans l'autre? Est-ce que vous ne pensez pas qu'il y aura des écarts?

M. Olson: Oui, c'est possible. Mais le programme d'évaluation est très rigide. Il y a un système de classification tenant compte de l'utilité, de l'âge, de la qualité et un coefficient en fonction duquel on fixe le montant à verser. Par conséquent, je ne pense qu'il y ait de grands écarts, bien qu'il y en aura peut-être.

M. Korchinski: Autrement dit, il y a un genre de formule...

M. Olson: Oui.

M. Korchinski: ... que vous allez utiliser. Vous n'allez pas vous contenter de regarder simplement la valeur marchande.

M. Olson: La valeur marchande sera prise en considération également.

M. Korchinski: Elle fait partie de la formule?

M. Olson: Oui.

M. Korchinski: Lorsque vous déterminez la valeur marchande de ces bêtes, est-ce que vous allez nous fonder sur la valeur de plusieurs saisons ou de plusieurs mois ou sur la valeur déterminée au moment du décès de la bête, ou pendant la période où l'animal a contracté la maladie? Comment allez-vous procéder?

M. Williams: Monsieur Korchinski, dans votre question vous parlez de la valeur marchande, vous avez utilisé le terme valeur marchande, et je me demande si cela s'applique à des maladies autres que celles qui tombent sous le coup de la Loi.

Mais lorsque nous payons une valeur marchande, cette valeur est normalement évaluée

[Texte]

representing the producer, one representing the Health of Animals Branch, and one representing the livestock division of our Production and Marketing Branch, who, in fact, determine it and test it against market prices as at the moment. In this maximum figure it is not our intent that this is going to be varied from day to day; it is going to be varied if, as, and when needed.

Mr. Korchinski: Would you just explain "at the moment"? Does that mean at the time of death, or what does it mean?

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Mr. Williams: No, under the market-value programs associated with diseases such as foot and mouth, hog cholera, and so forth, it would be at the time the animals are slaughtered. Under those, the animals are actually slaughtered under supervision of an inspector from the Health of Animals Branch. So it is at that time.

Under these programs they are ordered slaughtered, and they normally go to some packing house and there is a lapse in time. The market value there in terms of the salvage value is the one, of course, that the farmer gets, in that it is his animal and he sells it to them. But there is some latitude in times of delivery.

Mr. Korchinski: The other question I have relates to the recent outbreak of anaplasmosis in southern Manitoba. Would that type of disease be covered, or would animals who have contracted that disease be covered for compensation?

Mr. Williams: No, not by this portion of the Act, sir. They were covered by the other portion of the Act in that those animals and the contacts were ordered slaughtered by us. And in those cases market value was paid as in the case of foot and mouth disease.

Mr. Korchinski: This may not be important to the bill here, but what is the latest on that disease? Has it been confined and eradicated?

Mr. Williams: It has been confined, and there have been no cases reported of it, or none of our recent tests have shown any suspicious animals. We most sincerely hope that it has been completely eliminated.

Mr. Korchinski: Thank you.

The Chairman: Thank you, Mr. Korchinski. Mr. Clermont, do you have further questions?

[Interprétation]

par un groupe de trois personnes, un représentant de l'éleveur, un représentant de la Direction de l'hygiène vétérinaire et un représentant de la division des bestiaux de la Direction de la production et des marchés, qui détermine la valeur ou la compare aux prix du marché de l'heure. Disons que, en ce qui concerne le maximum, on n'a pas l'intention de le changer d'une journée à l'autre. Il ne variera que si le besoin s'en fait sentir.

M. Korchinski: Lorsque vous dites, de l'heure, vous voulez parler du moment du décès ou quoi?

M. Williams: Non, d'après le programme de la valeur marchande pour les bêtes affectées par la fièvre aphteuse, la peste porcine ou autre, disons que c'est au moment où la bête est abattue. Dans ces cas, les bêtes sont abattues sous la surveillance d'un inspecteur. C'est donc à ce moment-là.

L'ordre de les abattre est donné et on les envoie dans certaines usines de conditionnement et il y a un certain délai. La valeur marchande, en termes de la valeur de récupération, est celle que l'éleveur touche puisque c'est son animal et c'est lui qui le vend. Mais disons qu'il y a une certaine latitude dans les délais de livraison.

M. Korchinski: J'ai une autre question à poser relative à l'épidémie d'anaplasmosé dans le Manitoba. Est-ce que ce genre de maladie tomberait sous le coup de la Loi et que les animaux sont admissibles à une indemnité?

M. Williams: Non, pas dans cette partie de la Loi, ce cas tombe sous l'autre partie de la Loi, c'est-à-dire, il s'agit d'animaux qui ont dû être abattus, à notre demande. La valeur marchande a donc été versée comme dans le cas de la fièvre aphteuse.

M. Korchinski: Cela n'est peut-être pas important dans le cas du projet de loi que nous étudions actuellement, mais quels sont les derniers renseignements au sujet de cette maladie? Est-ce qu'elle a été arrêtée et éliminée?

M. Williams: Bien, elle a été arrêtée et aucun nouveau cas n'a été signalé. Nos derniers essais n'ont signalé aucune bête suspecte. On espère qu'elle est complètement éliminée.

M. Korchinski: Merci.

Le président: Je vous remercie, monsieur. Monsieur Clermont, une autre question? M.

[Text]

I have Mr. Danforth and then Mr. Roy. Mr. Danforth?

[Interpretation]

Danforth, puis M. Roy. Monsieur Danforth.

Mr. Danforth: Thank you, Mr. Chairman. At the last meeting, just as the Committee was about to rise, one of the members proposed an intent to file an amendment and was good enough to place it before the Committee for consideration. Regarding the content of this amendment, it was felt that, first, the departmental officials would have an opportunity to study the intent of the amendment and be able to give the Committee a decision whether or not they would be prepared to entertain an amendment of this nature, and secondly, there would be time between the two meetings for the legal staff to be able to look into the intent and the ramifications of this amendment as to whether or not it could be entertained under the rules.

Without comment on the amendment, I wonder if the Committee might at this time have the conclusions of the officials in these two fields.

The Chairman: I think, Mr. Danforth, that we are probably dealing with something that is somewhat hypothetical because the amendment has not come forward and is not in the hands of the Chair. If the Minister has any comments, I am prepared to...

Mr. Danforth: Mr. Chairman, although the amendment did not come in written form, certainly the intent of the amendment and the question was put for the consideration of the officials in the record of the last proceedings.

The Chairman: I am not sure that your interpretation, Mr. Danforth, is the same as mine. I think that, as Chairman at that time, I suggested that if the member wished to propose an amendment, he consult the Parliamentary Counsel and that the amendment, if it is to be presented, be presented in written form at this meeting. That amendment has not come forward and I am prepared to permit some discussion. But that would be my interpretation of it. Mr. Minister, do you have a comment?

Mr. Olson: Mr. Chairman, without commenting on whether or not that kind of an amendment would be in order—that is something for the law officers and the Committee to decide—we have some reservations about that. But in so far as accepting the amendment, we have to take into account a number of things. Some of that has been explained

M. Danforth: Je vous remercie, monsieur le président. A la dernière réunion juste avant de lever la séance, un député avait demandé de déposer un amendement et il l'a soumis à l'étude du Comité. Si je me souviens bien, monsieur le président, on avait demandé qu'un fonctionnaire du ministère étudie la teneur de cet amendement et nous dise s'ils étaient disposés ou non à accepter un amendement de ce genre et, deuxièmement, qu'il y aurait la possibilité, entre les deux réunions, pour le service juridique d'étudier les répercussions et la portée de cet amendement et déterminer si oui ou non il pourrait être accepté en vertu du Règlement.

Sans vouloir faire de commentaires sur l'amendement lui-même, je voudrais simplement savoir si les fonctionnaires du ministère peuvent présenter le résultat de leurs recherches sur ces deux points?

Le président: Monsieur Danforth, je pense que l'on parle de quelque chose d'hypothétique puisque l'amendement n'a pas, en fait, été remis au président. Si le ministre a des commentaires à faire, nous serions très heureux de l'entendre.

M. Danforth: Monsieur le président, bien que l'amendement n'ait pas été soumis sous une forme écrite, il n'en reste pas moins que la portée de l'amendement et que la question elle-même ont été soumises à l'examen des fonctionnaires du ministère et que cela figure au procès-verbal de la dernière réunion.

Le président: Je ne suis pas certain que mon interprétation, monsieur Danforth, de la situation soit la même. En tant que président, à ce moment-là, j'ai dit que si un membre voulait déposer un amendement, il devrait consulter le conseiller parlementaire et que s'il décide de proposer cet amendement, il devrait le faire sous une forme écrite lors de cette réunion.

Or, cet amendement n'a pas été déposé. Je suis prêt à permettre une discussion, mais voilà comment je vois les choses. Monsieur le ministre.

M. Olson: Monsieur le président, sans vouloir trancher si ce genre d'amendement est recevable ou non, c'est une question que les légistes doivent régler. Mais avant d'accepter l'amendement, je dois dire qu'il faut tenir compte d'un certain nombre de choses. On l'a déjà expliqué plus tôt, notamment cette question de savoir si on est obligé de trouver

[Texte]

earlier in this meeting, in so far as being obliged to arrive at a replacement value and then paying 80 per cent of that.

I explained that in some cases this would be possible but if it was written into the Act, and it was therefore mandatory, there would be cases, a large number of cases, where it would be very, very difficult to arrive at the replacement value of the animal.

In addition to that, however, if we were to accept, for example, 80 per cent of the replacement value as payment under the compensation portion of this Act, then in many cases the farmer would receive more than the value of the animal, because the salvage value of the carcass on many of the animals that would be ordered for slaughter would be far more than 20 per cent of the value. Therefore, if we were required to pay 80 per cent of the replacement value as compensation, plus having a farmer receive salvage value, it would go well above the market value of that animal.

As I have said at the outset, both in this Committee and in the House, we want to help farmers eradicate this disease and to pay some compensation involved in that eradication because of the public good involved in that, but we certainly do not want to have compensation rates that are so high that it is profitable to have these kinds of diseases.

Mr. Danforth: Mr. Chairman, I am prepared to accept the Minister's reasoning on that part of the question I asked and I am prepared to wait until there is someone who is in a position to give us the legal aspect of it. However, this raises a point, Mr. Chairman, that I would like a determination on at the present time.

It was my considered opinion that when a member of the Committee did indicate his concern about an amendment and gave the Committee an opportunity to consider his intent and gave time between meetings for the department involved to give consideration to the intent, and also was courteous enough to give the department an opportunity to refer the content of the amendment to the legal staff for ample consideration, that this was a very sound method of approach to the placing of amendments before the Committee rather than just bringing them in in a written form and the Committee being faced with them without time for such consideration.

My question is this, Mr. Chairman: are we to conclude from the remarks we have received from you that unless a formal amendment is before the Committee in a written form it is hypothetical and not to be

[Interprétation]

une valeur de remplacement dont on verse 80 p. 100.

J'ai dit que cela serait possible dans certains cas, mais que si on l'inscrit dans la loi elle deviendra obligatoire, et, dans certains cas, cela poserait des difficultés pour établir la valeur de remplacement.

En outre, si nous devions accepter, par exemple, 80 p. 100 de la valeur de remplacement comme le montant de l'indemnité versée, dans le cadre de la section de la Loi traitant de l'indemnité, dans bien des cas l'agriculteur recevrait beaucoup plus que la valeur de la bête parce que la valeur de récupération de la carcasse d'un grand nombre de bêtes abattues serait beaucoup plus que 20 p. 100, et par conséquent, si on nous demandait de payer 80 p. 100 de la valeur de remplacement à titre d'indemnité, et que l'éleveur touche en plus la valeur de récupération, cela dépasserait de beaucoup la valeur marchande de la bête.

Comme je l'ai indiqué aussi bien ici qu'à la Chambre, nous voulons aider les éleveurs à faire disparaître la maladie en leur versant des indemnités en vue de l'éradication à cause du bien public qui s'en suit, mais il est clair que nous ne voulons pas avoir des taux d'indemnités si élevés qu'il soit avantageux de perpétuer ces maladies.

M. Danforth: J'accepte les propos du ministre pour ce qui est de cette partie de la question que j'ai posée et je suis prêt à attendre qu'une personne compétente puisse nous renseigner sur son aspect juridique. Mais, il y a un point que je voudrais qu'on précise en ce moment. J'avais pensé que lorsqu'un membre du comité indique son inquiétude au sujet d'un amendement et qu'il donne au comité le temps d'étudier la question et au ministère d'étudier ses intentions, et qu'il a eu la courtoisie de permettre au ministère le temps de renvoyer l'amendement à son service juridique, il me semble que c'est une façon louable de procéder et de proposer des modifications au comité plutôt que de les présenter par écrit et de les proposer au comité sans leur laisser le temps de l'étudier.

Monsieur le président, est-ce que nous devons conclure de vos remarques qu'à moins que le comité ne reçoive la modification par écrit elle est simplement hypothétique et ne sera pas considérée, ou est-ce que le comité est

[Text]

considered, or is this Committee prepared to proceed in the manner established by the member at the last meeting? Personally, I feel that the way in which it was introduced to the Committee was a very sound and businesslike approach. We are going to be dealing with amendments from time to time and perhaps this is the time to determine the method by which we do it.

The Chairman: Mr. Danforth, at our last meeting one of our members proposed an amendment and it was suggested that in order to adopt the most businesslike approach, that if he consulted the parliamentary counsel and if then he decided to bring the amendment before the Committee, he would be at liberty to do so and the Committee would be protected in that he would have received some counsel in preparing the amendment.

Since the member is not here and that amendment has not come forward, then I think we are dealing with something that is really not before the Chair at all. I think, as a matter of custom, it is probably a good procedure to have amendments prepared and to have counsel in preparation of these amendments and to present them to the Committee. I am in the hands of the Committee and I will be guided by your directions.

Are there further comments? I had Mr. Roy on my list, who wished to ask a question or make a comment. Is your question supplementary to the present discussion, Mr. Gleave?

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Mr. Gleave: I think under the ordinary rules of procedure an amendment can be offered at any time. I would like that to be left clear. If I understood your remarks correctly, I would not like the implication to be left that if a member wanted to make an amendment he had to go and get some advice from someone and then come back and make the amendment. I think an amendment is in order at any time. Am I correct?

The Chairman: The Chair is prepared to receive any amendment at any time in written form. I only suggested that probably for the future this would be a wise precaution against unnecessary or ineffective amendments. The Committee will make the decision. I must recognize Mr. Roy.

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M. Roy (Laval): Merci, monsieur le président. Pour faire suite à la question de M. Clermont, le sous-ministre a dit que la province de Québec était une des provinces qui

[Interpretation]

prêt à procéder de la façon établie par le député lors de la dernière réunion? Pour ma part, je pense qu'il avait été présenté d'une façon très raisonnable et correcte. Nous aurons à étudier des amendements de temps à autres et c'est peut-être le moment de décider de quelle façon nous allons le faire.

Le président: Monsieur Danforth, lors de notre dernière réunion, l'un d'entre nous a proposé une modification et on avait suggérer que, afin de procéder de la façon la plus correcte, la personne consulte le conseiller juridique parlementaire et que si elle décidait ensuite de présenter l'amendement au comité, il pourrait le faire et que le comité se trouverait protégé au fait que la personne aurait reçu l'avis d'experts pour la rédaction de cette modification.

Comme le député n'est pas ici, et qu'il n'a pas présenté sa modification, nous sommes donc en train d'étudier une question qui n'a même pas été présentée à la présidence. Je crois qu'il est bon de faire préparer l'amendement d'avancer et d'obtenir les conseils d'un conseiller juridique mais je m'en remets à vous et je suivrai la procédure que vous m'indiquerez.

Est-ce que vous avez d'autres remarques? Monsieur Roy (Laval) était sur ma liste. Est-ce qu'il s'agit d'une question supplémentaire, monsieur Gleave?

M. Gleave: D'après la procédure ordinaire, un amendement peut-être proposé à n'importe lequel moment. J'aimerais que cette chose soit tirée au clair. Si j'ai bien compris vos remarques, je n'aimerais pas qu'on laisse les gens sous l'impression que si un député veut proposer une modification, il doit obtenir l'avis de quelqu'un et revenir faire sa proposition au comité.

Le président: Le président est prêt à recevoir n'importe laquelle modification par écrit. C'est une bonne précaution, à mon avis, contre les propositions inefficaces ou inutiles. Le comité prendra la décision. La parole est à monsieur Roy (Laval).

Mr. Roy (Laval): Thank you, Mr. Chairman. In further reference to the question put by Mr. Clermont, the Deputy Minister mentioned that the Province of Quebec was one of

[Texte]

recevaient une participation fédérale. Pour l'information des membres du Comité, est-ce qu'on peut connaître les répartitions, par province, de la part du fédéral dans les cadres du Bill que nous discutons actuellement?

Cette information pourrait être ajoutée au procès-verbal.

Mr. Olson: We could provide you with the information which will precisely answer the question as you have raised it. We have some information as to the areas tested and the approximate numbers of cattle and so on, but we would prefer to provide you with that information so that you will have a precise answer to the question you asked.

Mr. Roy (Laval): Thank you.

The Chairman: Mr. Korchinski?

Mr. Korchinski: I was just going to make a suggestion here in regard to the comments initiated by Mr. Danforth. Might it not be advisable for the Steering Committee to meet at some time, and, if and when you do, to discuss this very problem and perhaps resolve it.

The Chairman: Fine, thank you. I am sure the Steering Committee would be glad to discuss the production of amendments as the situation arises.

Mr. Danforth: Then I am satisfied, Mr. Chairman.

The Chairman: Thank you, gentlemen. That concludes my list of questioners.

Clause 1 agreed to.

On Clause 2—Appeal

The Chairman: Mr. Gleave?

Mr. Gleave: Mr. Chairman and Mr. Minister, in this area of insurance has any thought been given to developing something similar to crop insurance? The speaker over here is quite right when he says that it is extremely difficult and expensive. An example would be the cost of buying insurance to cover cattle in a feed lot: you just forget about it and take your losses. This seems to be the case. Could some type of insurance similar to crop insurance be investigated by the Department which possibly could operate on a provincial basis for different classes of cattle.

It seems to me it might be a more effective and practical way of approaching it than compensation. I expect that the Department of Agriculture does try to do the best job it can in the area of compensation, in protecting farmers against losses which they cannot

[Interprétation]

the provinces which received federal assistance for the information of the members of the Committee, could we know the distribution by provinces, of federal participation within the framework of the Bill under study at the present time? This information could be included in the proceedings.

M. Olson: Nous pourrions vous fournir ce renseignement et répondre précisément à votre question. Nous avons certains renseignements au sujet des régions où l'on a fait des essais, le nombre approximatif de bestiaux, et ainsi de suite. Nous pourrions vous donner les renseignements de façon à répondre à votre question.

M. Roy (Laval): Merci.

Le président: M. Korchinski?

M. Korchinski: Une suggestion au sujet des commentaires de M. Danforth. Je me demande s'il ne serait pas bon que le Comité directeur se réunisse à un moment donné, pour discuter de ce problème et voir quelle serait la solution.

Le président: Merci, je suis certain que le Comité directeur serait heureux de discuter de la question de la préparation des amendements lorsque l'occasion se présentera.

M. Danforth: Je suis donc satisfait.

Le président: Merci. Voilà donc toutes les questions.

L'article 1 est adopté.

Article 2—Appel

Le président: M. Gleave?

M. Gleave: Je me demande, M. le président, M. le ministre, est-ce qu'on a songé, en ce qui concerne l'assurance, à essayer d'établir un système semblable à l'assurance-récolte? Le député a raison de dire qu'il est très difficile et coûteux. Par exemple, le coût de l'assurance lorsqu'il s'agit de bestiaux à l'engrais. La plupart des gens refusent alors de prendre de l'assurance. Je me demande si le ministère ne pourrait pas établir un système d'assurance sur le plan provincial pour les différentes catégories d'animaux.

Il me semble que ce serait une façon plus pratique de régler la question que le système d'indemnités. Le ministère de l'Agriculture fait son possible en ce qui concerne les indemnités et protège le cultivateur contre les pertes qu'il ne peut pas résorber autrement.

[Text]

absorb themselves, but could some investigation be carried out along these lines to see if it is practical or if the farmers or cattlemen would be interested in such an arrangement?

The Chairman: Mr. Williams?

Mr. Williams: Mr. Chairman, the situation with respect to a possible insurance program covering livestock has been studied within the Department and continues to be studied within the Department. I may say that the interest we have received from the country, by and large, falls not so much in the area of feed lots but more in the area of herds of cattle that are being kept for milk purposes

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and there are many, many difficulties associated with the development of a comprehensive insurance scheme for cattle or for all classes of livestock but it is something that we continue to work at and investigate.

The Chairman: Mr. Danforth?

Mr. Danforth: Mr. Chairman, I have two questions under Clause 2 of this Bill. The first one deals with the matter of an appeal. An appeal may be made when the maximum amount as prescribed has not been paid and an appeal may be made where no compensation at all has been awarded, but I would like to ask why it is not possible to make an appeal when perhaps the maximum has been paid and it is felt by the owner of the animal that the compensation is far from adequate under the terms and provisions of this Bill. It will be possible for the Governor in Council to change the maximum if he sees fit and I am just wondering why it is not possible, then, under the provisions of an appeal, for a claim to be placed regardless of the fact that the maximum has been paid.

Mr. Olson: Mr. Chairman, the simple answer is that he would then be making an appeal against the law of the country; the law will be setting down the maximum and if that has been paid that is as far as you can go.

Mr. Danforth: Then is it not possible to bring a court action in this regard?

Mr. Olson: It is not a right and, of course, it refers to the appeal procedure in subclause (3) of Clause 2, which refers you to the Pesticide Residue Compensation Act in so far as procedure is concerned, and the assessor there to which the appeal would be taken would be a judge of the Exchequer or the superior courts of the provinces.

Mr. Danforth: This brings me to my second question then, Mr. Chairman, over the indica-

[Interpretation]

Est-ce qu'on ne pourrait pas faire une enquête en ce sens et voir si ce serait pratique, et si les éleveurs eux-mêmes sont intéressés à un tel système?

Le président: Monsieur Williams.

M. Williams: Monsieur le président, en ce qui concerne les programmes d'assurance sur les bestiaux la situation a été étudiée au ministère et est toujours à l'étude. L'intérêt manifestés dans le pays, en général, ne concerne pas surtout les bestiaux à l'engrais mais les troupeaux de bétail que l'on élève pour le lait. Il y a beaucoup de difficulté lorsqu'il s'agit d'établir un système d'assurance pour les bestiaux, mais c'est une question que nous étudions, en ce moment.

Le président: Monsieur Danforth?

M. Danforth: J'ai deux questions à poser sur l'article 2, du projet de loi, monsieur le président. La première traite des appels. Un appel peut être interjeté lorsque le montant maximum n'a pas été payé et quand il n'y a eu aucune indemnité. J'aimerais demander pourquoi il n'est pas possible d'interjeter un appel lorsque le maximum a été payé et lorsque le propriétaire de l'animal pense que l'indemnité est loin d'être suffisante, d'après les clauses du bill. Le gouverneur en conseil pourra changer le maximum, s'il juge bon de le faire, et je me demande pourquoi il ne serait pas possible, d'après les dispositions concernant l'appel, de faire une demande en dépit du fait que le maximum a été payé.

M. Olson: Monsieur le président, il s'agirait alors d'un appel contre la Loi du pays. La loi établit le maximum et lorsque le maximum est payé, c'est tout ce qu'on peut faire.

M. Danforth: Ne serait-il pas possible alors d'intenter une action?

M. Olson: Ce n'est pas un droit et, bien entendu, cela touche à la procédure d'appel, à l'article 2(3), qui vous renvoie à la Loi sur l'indemnisation pour dommages causés par les pesticides, pour ce qui est de la procédure; l'évaluateur serait un juge de la Cour de l'Échiquier du Canada ou d'une cour Supérieure de la province.

M. Danforth: Cela m'amène à ma deuxième question. En sus de ce que le ministre a dit,

[Texte]

tion of the Minister, when he speaks of a judge of the superior court if my understanding of law is correct when such an appointment is made the judge does not sit as a judge, he sits as an assessor to make a determination and it is not a court. If this is the case I fail to see why an appeal cannot be made against such a decision or a review in a duly constituted court.

Mr. Olson: Mr. Chairman, I explained that rather carefully in the House of Commons yesterday when the Pesticide Residue Compensation Act was going through.

Mr. Danforth: Mr. Chairman, my question is based on that very explanation.

Mr. Olson: The House decided on that point and that is now the law of the country, or will be after proclamation and the other stages it has to go through.

Mr. Danforth: In that particular bill.

Mr. Olson: Yes, but the procedures for appeal under this Bill are referred to as the provisions in Part 2 of the Pesticide Residue Compensation Act.

Mr. Danforth: Yes, Mr. Chairman, I agree with that, provided these conditions are accepted under this particular Bill by the committee and Parliament. My questions are based under this Bill, Mr. Minister, and not under the one that has been passed in Parliament.

Mr. Olson: Mr. Chairman, my answer has to be that if this Bill is passed by law it will provide for the Governor in Council to set maximums and that will then be, under the law, the maximum compensation that can be paid. To follow the other part of your question forward that an appeal could be made to exceed the amount that is provided here by law would, in fact, be an appeal against the law and, of course, the courts can only, if I understand legal procedures properly, make a decision within the law, not in excess of the law.

Mr. Danforth: Then to get back to the second part of my question, Mr. Chairman, if a judge either of the Supreme Court or of the Superior Court is appointed by government as an assessor or an arbitrator does he, in fact, have the same status as a court? This is the problem that I am finding some difficulty in understanding. If he has the same status, if the judge is sitting as a judge of a court, I

[Interprétation]

lorsqu'il parle d'un juge de la Cour supérieure, si j'ai bien compris la Loi, lorsqu'une nomination de cette sorte a été faite, le juge ne siège pas en qualité de juge. Il siège en tant qu'évaluateur pour faire une évaluation. Il ne s'agit pas d'un tribunal. Et, dans ce cas, je ne vois pas pourquoi on ne peut pas interjeter appel contre cette décision ou demander une revue de la cause dans une cour ordinaire.

M. Olson: J'ai bien expliqué cela à la Chambre des communes, hier, lors de l'étude de la Loi sur l'indemnisation pour dommages causés par les pesticides.

M. Danforth: Monsieur le président, ma question est fondée sur cette explication même.

M. Olson: La Chambre a décidé de ce point et la Loi est promulguée ou le sera bientôt.

M. Danforth: Il s'agit du présent projet de loi.

M. Olson: Oui, mais les procédures d'appel d'après ce bill sont les dispositions de la partie de la Loi sur l'indemnisation pour dommages causés par les pesticides.

M. Danforth: Je suis d'accord avec cela, pourvu que le Comité et le Parlement acceptent ces conditions, en vertu du bill. Mes questions sont fondées sur le bill, monsieur le ministre, et non pas sur la Loi qui a été adoptée par le Parlement.

M. Olson: Voici la seule réponse que je puisse faire. Ce bill, s'il est adopté, stipule que le gouverneur en conseil pourra établir les maximums que l'on peut payer en vertu de la Loi. Lorsque vous demandez si on pourrait interjeter appel pour que le maximum soit augmenté, je dis que c'est un appel contre la Loi. Et si j'ai bien compris la procédure légale, la cour ne peut rendre de décisions que dans le cadre de la Loi et non pas en sus de la Loi.

M. Danforth: Je reviens à la deuxième partie de ma question, monsieur le président. Est-ce qu'un juge, soit de la Cour suprême, soit de la Cour supérieure, nommé par le gouvernement en qualité d'évaluateur ou d'arbitre, a la même qualité qu'un tribunal ordinaire? Si le juge siège en tant que juge d'une cour, je comprends qu'il soit difficile de faire interjeter appel ou de demander une

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can appreciate there might be some difficulty in having an appeal or a review of such a decision, but if he is not a court duly constituted as a court then I fail to see why there cannot be an appeal or a review to a court in this circumstance, and I would like some clarification on this point.

Mr. Olson: I have to go back to the explanation I made in the House yesterday on this particular point and it is that assessors will be appointed from among the judges of the Exchequer Court or the superior court. I think that is clearly understood.

Mr. Danforth: I understand that, yes.

Mr. Olson: I would therefore presume that those assessors will hear the evidence in making their decision and it is clearly set out that that is final, that there will be no further appeal, but I am sure that in hearing the evidence, the assessor or judge, in order to make a proper assessment if you like of the entire case, will set up procedures so that he can hear the evidence or the submissions from both sides.

Mr. Danforth: I am perfectly prepared to accept the Minister's statements in full in this regard and I do not wish to belabour the point. However, we find from time to time arbitrators set up in labour disputes and other appointments made by the government to solve contentions between two aggrieved parties. I am trying to ascertain the status of the mechanics under which an assessor makes his determination. Is it a court or is it not?

Mr. Olson: I do not like to be drawn into questions of legal procedure. I think the question is a proper one but, as we have said, these appeals will be heard by a superior court judge who will be designated an assessor, and whether or not that can be interpreted as a court of law, my opinion is that it is not, except that it is provided for in the statute and on that basis I suppose, at least in a sense, it is.

Mr. Danforth: Mr. Chairman, in view of the fact that this is the second piece of legislation that we have had before this Committee—and perhaps there will be others—which refers to this particular type of appeal and its mechanics, would it be possible for us to have either in a written appendix to the Committee proceedings or by a witness before the Committee an explanation of this so that we, as Committee members, may make a determination on this particular point?

[Interpretation]

révision de la décision. Mais, s'il ne s'agit pas d'un tribunal dûment constitué en tant que tribunal, je ne vois pas pourquoi il ne pourrait pas y avoir un appel ou une révision de la décision, devant une cour. J'aimerais que l'on tire ce point au clair.

M. Olson: Je reviens à l'explication que j'ai donnée à la Chambre, hier, sur ce point en particulier. Les évaluateurs seront choisis parmi les juges de la Cour de l'Échiquier ou de la Cour supérieure. C'est bien clair.

M. Danforth: Je comprends cela.

M. Olson: Et, par conséquent, je présume que ces évaluateurs entendront les témoignages avant de rendre leur décision. Et il est clairement dit qu'il n'y aura pas d'autre appel à partir de ce moment de la décision. Mais la procédure permettra d'entendre les témoignages, afin que le juge, ou l'évaluateur, puisse faire une évaluation efficace de la cause. Il y aura des procédures qui permettront au juge d'entendre les témoignages des deux parties.

M. Danforth: Je suis tout à fait disposé à accepter la déclaration du ministre à ce sujet, et je ne voudrais pas trop insister. Il y a des arbitrages dans les différends du travail et on nomme des arbitres pour régler des différends entre deux parties. Ce que je voudrais savoir, c'est par quel mécanisme un évaluateur fait sa détermination. Est-ce qu'il s'agit d'un tribunal ou non?

M. Olson: Je n'aimerais pas me laisser entraîner dans des considérations juridiques, mais votre question est bien fondée. Ces appels seront entendus devant un juge de la Cour supérieure nommé à titre d'évaluateur et je ne sais pas si l'on peut interpréter cela comme un tribunal, mais, pour ma part, je ne pense pas qu'il en soit ainsi, sauf disposition contraire de la Loi. En un certain sens, c'est un tribunal.

M. Danforth: Monsieur le président, étant donné que c'est la deuxième mesure législative que le Comité étudie—il y en aura peut-être d'autres, plus tard—qui se rapporte à ce type de mécanismes d'appel en particulier, serait-il possible pour nous d'obtenir une explication, soit à titre d'appendice au compte rendu des délibérations du Comité ou d'entendre un témoin qui nous expliquerait ce point, afin qu'en tant que membres du Comité, nous puissions tirer les choses au clair?

[Texte]

I must say that I am concerned about this because if the assessor is not acting—in my opinion—within the confines of a court then I do not feel that we as Committee members, or perhaps as legislators, have the right to incorporate in a statute a regulation that will prohibit one who has a complaint from making an appeal to a court of law.

This is why I am very concerned about this point, Mr. Chairman. I am prepared to waive my question at this time if I can have some assurance that this matter will not be dropped and that we will have either in a written submission by the legal staff or from a witness before this Committee, the actual explanation of the status of the assessor when such a determination is being made. I think I am quite reasonable in this request.

Mr. Olson: It would not be difficult for us to get that explanation for you, but I could refer you to Clause 11 of Bill C-155 and there

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was a vote on this in the House of Commons. They have made the decision, not us, although perhaps we recommended it to them, that these assessors will be and must be judges, so that is the status they have. Along with the other explanation that you have asked for, we can provide you with some more detailed explanation.

Mr. Danforth: Mr. Chairman, I would feel better about this if I could be sure that we are not taking away any of the rights of a corporation or an individual by the passing of legislation of this type.

Mr. Olson: On the contrary we are not only not—if I may use the double negative—taking away any rights; we are adding substantially to the rights of people who have been aggrieved, because prior to the passage of this act and, indeed, Bill C-155, there was no procedure for appeal at all.

Mr. Danforth: Mr. Chairman, I am prepared to accept that, but adding that perhaps we are not giving enough of the individual's rights back yet.

Clause 2 agreed to.

Clause 3 agreed to.

Title agreed to.

Mr. Danforth: Before the Bill is put in its final stage, have I the assurance of the Chairman and the Minister that the information I requested will be made available to the Committee members?

Mr. Olson: Yes, we will seek it from the Department of Justice.

[Interprétation]

Je dois dire que ce point m'inquiète, parce que, si l'évaluateur n'agit pas, à mon avis, dans le cadre d'un tribunal, par conséquent, je ne pense pas, qu'en tant que législateurs ou membres d'un comité, nous ayons le droit d'incorporer dans un statut, un règlement qui empêcherait une personne qui se sent lésée d'interjeter appel devant un tribunal.

Et c'est la raison pour laquelle ce point m'inquiète tellement, monsieur le président. Je suis disposé à attendre ma réponse si on peut m'assurer qu'on ne laissera pas tomber la question et qu'on aura l'occasion d'entendre un témoin, ou un conseiller juridique, qui nous expliquera le statut de l'évaluateur lorsqu'il donne sa décision. Et je me trouve assez raisonnable en faisant cette demande.

M. Olson: Il ne serait pas difficile pour nous d'obtenir cette explication pour vous, mais je pourrais vous renvoyer à l'article 11 du bill C-155. On a pris le vote à la Chambre des communes sur ce point et la décision a été rendue. Ce n'est pas nous qui avons décidé, bien que nous l'ayons recommandé, que ces évaluateurs seront et devront être des juges. C'est là leur qualité, leur statut. Nous pouvons vous donner une explication plus détaillée.

M. Danforth: Je me sentirais rassuré, monsieur le président, si je pouvais être tranquille et savoir que nous n'enlevons pas des droits à une société ou à un individu en adoptant ce genre de législation.

M. Olson: Au contraire, non seulement nous ne retirons pas de droits, si je peux employer la double négation, mais nous ajoutons substantiellement aux droits des personnes qui se sentent lésées, parce que, avant l'adoption de cette loi ou du Bill C-155, il n'y avait aucune procédure d'appel du tout.

M. Danforth: Monsieur le président, je suis prêt à accepter cela, mais j'ajouterais que nous ne donnons pas encore assez de droits aux individus.

L'article 2 est adopté.

L'article 3 est adopté.

Le titre est adopté.

M. Danforth: Avant de mettre le Bill aux voix, le président et le ministre pourraient-ils m'assurer que les membres du comité auront ces explications?

M. Olson: Oui, nous les aurons du ministère de la Justice.

[Text]

The Chairman: Shall I report the Bill without amendment?

Some hon. Members: Agreed.

The Chairman: Gentlemen, I direct your attention now to Bill C-112. An Act to amend the Farm Machinery Syndicates Credit Act, and particularly to Clause 2. I will recognize questioners. Mr. Danforth and then Mr. Lind.

Mr. Danforth: Mr. Chairman, there are some major changes by the amendments in this bill, and I wonder whether the Minister is prepared to make an introductory statement before I ask my direct questions?

Mr. Olson: Yes. Mr. Chairman, we have sent a message for the Chairman of the Farm Credit Corporation to come as quickly as possible. I would like to say that I would like to ask a member of the Committee to move an amendment under Clause 3 of a substantial nature.

An hon. Member: We are on Clause 2.

Mr. Olson: I realize that we are on Clause 2 at the present time, but I gave an explanation of the intent of this amendment in the House and it provides for the inclusion of the same provisions so that Indians on reservations who are farmers may avail themselves of the provisions of this act.

The Chairman: Gentlemen, may we stand Clause 2 in order that we may proceed with Clause 3 and receive the Minister's suggestion? Is that agreed?

Some hon. Members: Agreed.

Mr. Olson: Mr. Chairman. I also have another problem. I should be at a Cabinet meeting within the next few minutes that started at ten o'clock, and there are a couple of matters I would like to get over there to. As soon as the Deputy Minister and Mr. Owen come back, why you could proceed. If you would like to move to Clause 3 now, to which I think you have agreed, I would be prepared to put these amendments before you, sir.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I have a question. Why is this necessary when it is also under a different act? Are we talking about the same thing, or different things, or will anybody explain it?

Mr. Olson: We are now talking about Bill C-112 that deals with amendments to the

[Interpretation]

Le président: Dois-je faire rapport du Bill, sans modification, d'accord.

Des voix: D'accord.

Le président: Messieurs, j'attire votre attention au Bill C-112, «Loi modifiant la Loi sur le crédit accordé aux syndicats de machines agricoles» et en particulier à l'article 2. J'attends vos questions. M. Danforth et ensuite M. Lind.

M. Danforth: Monsieur le président, il y a des modifications majeures dans les amendements à ce Bill et je me demande si le ministre serait prêt à nous faire une déclaration préliminaire avant que je commence à poser mes questions?

M. Olson: Oui monsieur le président. Nous avons envoyé un message pour demander au président de la Corporation du crédit agricole de venir témoigner ici aussitôt que possible. Je demanderais à un membre du comité de proposer une modification de nature importante sous l'article 3.

Une voix: Nous étudions l'article 2.

M. Olson: Je comprends bien que nous étudions en ce moment l'article 2, mais j'ai déjà donné l'explication sur le but de cet amendement à la Chambre et il stipule l'inclusion des mêmes dispositions afin que les Indiens sur les réserves, qui sont des cultivateurs, puissent profiter des dispositions de cette loi.

Le président: Alors, nous allons réserver l'article 2 pour procéder à l'article 3 et recevoir la suggestion du ministre? D'accord?

Des voix: D'accord.

M. Olson: Monsieur le président, il y a aussi un autre problème. Je devrais me rendre à une réunion du Cabinet qui débute à 10 heures d'ici quelques minutes, et il y a quelques points que je voudrais faire valoir là aussi. Dès que le sous-ministre et M. Owen reviendront, vous pourriez, si vous voulez, commencer à étudier l'article 3. Nous nous sommes mis d'accord là-dessus et je voudrais vous soumettre ces modifications.

M. Thomson (Battleford-Kindersley): Monsieur le président, j'ai une question. Pourquoi est-ce que cela est nécessaire, puisqu'il y a aussi une autre loi? Parlons-nous de la même chose, ou de choses différentes? J'aimerais des explications.

M. Olson: Maintenant, nous parlons du Bill C-112, modifications à la Loi sur le crédit

[Texte]

Farm Syndicates Act. Provisions identical to those in this Clause were included in the

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Farm Credit Act so that Indians who are farmers on reservations may avail themselves of the provisions in the act.

The amendment I am proposing now will be exactly the same as the provision that was passed by the House of Commons to the Farm Credit Act. We are talking about two different acts, but the wording will be the same so that these Indian farmers may make use of the act.

Mr. Thomson (Battleford-Kindersley): My only question is, why was this necessary? I thought it was covered there, or are we talking about a syndicate of Indians that may borrow under the same principle?

Mr. Olson: The reason it is necessary is because it was not in the act before.

Mr. Thomson (Battleford-Kindersley): It was not in the act?

Mr. Olson: That is right.

Mr. Danforth: Mr. Chairman, may I make a suggestion? We understand that the time of the Minister is limited, and since we have just started the contemplation of this bill may I make the suggestion that copies of the proposed amendment be made available and...

Mr. Olson: We have them here in both languages.

Mr. Danforth: . . . that we have an opportunity to look at them, and perhaps we can take action when we return to Clause 3 of the Bill. Then the Minister would be at liberty to attend his other meeting.

Mr. Olson: We are on Clause 3 now. If somebody would like to move these amendments you would have them before you.

Mr. Danforth: I think we would like to have a look at these amendments before we move them.

Mr. Horner: You can move them and then debate them.

Mr. Douglas: I so move.

The Chairman: It has been moved by Mr. Douglas that the amendment as presented by

[Interprétation]

accordé aux syndicats de machines agricoles. Les mêmes dispositions avaient été incluses dans la Loi sur le crédit agricole afin que les Indiens qui sont des cultivateurs et qui habitent dans les réserves puissent profiter des dispositions de la loi. L'amendement que je propose maintenant sera exactement le même que celui qui a été adopté par la Chambre des communes lorsqu'on a adopté la Loi sur le crédit agricole. Nous parlons de deux lois différentes, mais la terminologie sera la même afin que les cultivateurs indiens puissent profiter des dispositions de la loi.

M. Thomson (Battleford-Kindersley): Pour quoi est-ce que cela a été jugé nécessaire? Je croyais que le cas était couvert, ou est-ce que nous parlons d'un syndicat d'Indiens afin qu'ils puissent emprunter de la même façon?

M. Olson: Oui, la raison pour laquelle nous l'avons jugé nécessaire c'est parce que cela ne faisait pas partie de la loi avant.

M. Thomson (Battleford-Kindersley): Ce n'était pas dans la Loi?

M. Olson: C'est exact.

M. Danforth: Monsieur le président j'aurais une proposition à faire. Le ministre n'a pas beaucoup de temps mais, comme nous commençons à étudier ce Bill, je propose que l'on nous donne des copies des amendements proposés...

M. Olson: Nous les avons ici dans les deux langues.

M. Danforth: ... afin que nous ayons le temps de les étudier et que nous puissions poser des questions lorsqu'on étudiera l'article 3 du Bill. Et le ministre, alors, pourrait se rendre à sa réunion.

M. Olson: Nous sommes maintenant à l'article 3. Si quelqu'un veut bien faire la proposition, vous aurez ces amendements en face de vous.

M. Danforth: Nous aimerions étudier ces amendements avant de les adopter.

M. Horner: Vous pouvez les proposer et les discuter ensuite.

M. Douglas: J'en fais la proposition.

Le président: Proposé par M. Douglas, que les modifications telles qu'elles ont été présen-

[Text]

the Minister, Mr. Olson, be accepted by the Committee.

An hon. Member: Without even seeing it.

The Chairman: The question is open.

Mr. Douglas: Do not be ridiculous.

Mr. Danforth: That is just my point.

An hon. Member: I beg your pardon; could the amendment be read?

Mr. Olson: Yes, I can read the amendment, but I will give you copies of it too.

Mr. Horner: Read it please.

Mr. Douglas: Mr. Danforth took the liberty of laughing because I moved it without knowing what the amendment was. My comment was that he was being ridiculous, because I do know what the amendment is.

Mr. Danforth: Have you seen it before?

Mr. Douglas: Yes, it is the same amendment as was in the Farm Credit Act that was discussed in the House.

Mr. Olson: Not only that, but at Second Reading I read it out in detail.

An hon. Member: Let us have a little order here.

The Chairman: May we ask the Minister to read the amendment?

Mr. Olson: The amendment is, Mr. Chairman:

That clause 3 of Bill C-112, An Act to amend the Farm Machinery Syndicates Credit Act, be amended by adding thereto, immediately after section 3 thereof on page 2, the following section:

Agreement re Indians on reserves

"3A. (1) With the approval of the Governor in Council, the Corporation may enter into an agreement with the Minister of Indian Affairs and Northern Development

(a) for the purpose of enabling loans to be made under this Act to bands engaged in farming operations on reserves where at least three members of any such band who have attained the age of twenty-one years are engaged in the farming operations of the band and at least two of those members are principally occupied in such farming operations; and

[Interpretation]

tées par le ministre, M. Olson, soient adoptée par le Comité.

Une voix: Sans même les voir.

Le président: La discussion est ouverte.

M. Douglas: Ne soyez pas ridicule.

M. Danforth: C'est justement là le point que je soulève.

Une voix: Je m'excuse; est-ce que l'amendement pourrait être lu?

M. Olson: Oui, je puis lire l'amendement, mais je vais aussi vous en donner des exemplaires.

M. Horner: Lisez-le, s'il vous plaît.

M. Douglas: M. Danforth a pris la liberté de rire parce que j'ai proposé l'amendement sans savoir ce qu'il était. Mon commentaire c'est qu'il a été ridicule, parce que je *sais* ce que l'amendement contient.

M. Danforth: L'avez-vous déjà vu?

M. Douglas: Oui. C'est le même amendement qui était dans la Loi sur le crédit agricole, et qu'on a discuté à la Chambre.

M. Olson: Pas seulement ça, mais à la deuxième lecture, je l'ai lu en détail.

Une voix: A l'ordre, messieurs.

Le président: Je demande au ministre de lire l'amendement.

M. Olson: Monsieur le président, voici l'amendement:

Que l'article 3 du bill C-112, Loi modifiant la Loi sur le crédit accordé aux syndicats de machines agricoles, soit modifié par l'insertion, immédiatement après l'article 3 de la loi, à la page 2, de l'article suivant:

Accord au sujet des Indiens installés sur des réserves

«3A. (1) La Société peut, avec l'approbation du gouverneur en conseil, conclure un accord avec le ministre des Affaires indiennes et du Nord canadien

a) aux fins de permettre l'octroi de prêts en vertu de la présente loi à des bandes qui s'adonnent à des opérations agricoles sur des réserves lorsqu'au moins trois membres de la bande qui ont atteint l'âge de vingt et un ans s'adonnent aux opérations agricoles de la bande et qu'au moins deux de ces membres ont pour principale occupation ces opérations agricoles; et

[Texte]

(b) for the purpose of providing such security as the Corporation may require under paragraph (b) of subsection (2) of section 3 in respect of loans made to farm syndicates

(i) that are co-operative farm associations or farming corporations; the members or shareholders of which are Indians on reserves, or

(ii) that are associations referred to in subparagraph (iii) of paragraph (c) of subsection (1) of section 2, the members of which are Indians on reserves or farming corporations the shareholders of which are Indians on reserves.

Application of other provisions of Act to bands

(2) Where an agreement has been entered into pursuant to subsection (1), a band referred to in paragraph (a) of that subsection shall be deemed to be a farm syndicate for the purposes of this Act and the provisions of this Act, in so far as practicable, shall apply to all loans made or to be made to that band.

Security for loans to bands.

(3) Where a loan is made or to be made to a band referred to in paragraph (a) of subsection (1), the loan shall be secured in such manner as may be required by the agreement entered into pursuant to subsection (1).

Maximum loan to a band

(4) The total amount outstanding of loans that may be made to any one band under this Act shall not exceed the lesser of one hundred thousand dollars or the amount obtained by multiplying fifteen thousand dollars by the number of members of the band engaged in the farming operations of the band at the time the loan is made, except that where the number of such members principally

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occupied in the farming operations of the band is equal to or less than the number of such members not principally so occupied, the number of such members not principally so occupied shall be deemed to be one less than the number principally so occupied.

Regulations

(5) With the approval of the Governor in Council, the Corporation may make regulations providing for any matter or

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[Interprétation]

b) aux fins de fournir la garantie que la Société peut exiger en vertu de l'alinéa b) du paragraphe (2) de l'article 3 en ce qui concerne les prêts consentis à des syndicats agricoles

(i) qui sont des coopératives agricoles ou des corporations d'agriculture dont les membres ou les actionnaires sont des Indiens installés sur des réserves, ou

(ii) qui sont des associations visées au sous-alinéa (iii) de l'alinéa c) du paragraphe (1) de l'article 2, dont les membres sont des Indiens installés sur des réserves ou des corporations d'agriculture dont les actionnaires sont des Indiens installés sur des réserves.

Application des autres dispositions de la loi à des bandes

(2) Lorsqu'un accord a été conclu en conformité du paragraphe (1), une bande visée à l'alinéa a) de ce paragraphe est considérée comme un syndicat agricole aux fins de la présente loi et les dispositions de la présente loi s'appliquent autant que possible, à tous les prêts consentis ou devant être consentis à cette bande.

Garantie des prêts consentis à des bandes

(3) Lorsqu'un prêt est consenti ou doit être consenti à une bande visée à l'alinéa a) du paragraphe (1), le prêt doit être garanti de la manière qui peut être prescrite dans l'accord conclu en conformité du paragraphe (1).

Prêt maximum à une bande

(4) Le montant global non remboursé des prêts qui peuvent être consentis à une même bande en vertu de la présente loi ne doit dépasser ni cent mille dollars ni le montant obtenu en multipliant quinze mille dollars par le nombre de membres de la bande qui s'adonnent aux opérations agricoles de la bande au moment où le prêt est consenti, mais, lorsque le nombre des membres de la bande qui ont pour principale occupation les opérations agricoles de la bande est égal ou inférieur à celui des membres de la bande pour lesquels c'est une occupation secondaire, le nombre de ces derniers est censé être inférieur d'une unité au nombre des premiers.

Règlements

(5) La Société peut, avec l'approbation du gouverneur en conseil établir des règlements au sujet de toute question ou

[Text]

thing that it deems necessary in order to make or to facilitate the making of loans under this Act to bands referred to in paragraph (a) of subsection (1).

Definition

(6) For the purposes of this section, the words "Indian", "band" and "reserve" have the meanings assigned to them in the *Indian Act*."

The Chairman: Thank you, Mr. Olson. Are there questions, gentlemen?

Mr. Danforth: Mr. Chairman, I have two questions that I would like to ask for clarification.

"3A (1) With the approval of the Governor in Council, the Corporation may enter into an agreement with the Minister of Indian Affairs and Northern Development

My understanding of this particular clause is that it is not customary or practical or legal at the present time for Indians on reserves to make direct application to the Minister, and I appreciate the ramifications. But I also understand now that there is a move in some bands towards far more control over their own affairs; in the disbursements of money, the collecting of rents, the making of binding and financial agreements in the rental of lands, the rental of reserves, the rental of hunting preserves and in some bands they are moving into a state of self-administration.

My question to the Minister on this point is this: when and if these bands, or these reservations, do reach the stage where they are controlling their own affairs, will it be necessary, under the terms of this provision, for the Act to be amended before they are able to apply directly for consideration under the Farm Machinery Syndicates Credit Act?

Mr. Olson: We realize, Mr. Chairman, that there are some changes now under consideration, but until those changes are made, so that we can take security in the land or the assets—and I would remind you that buildings are now included under the amendments to the Farm Machinery Syndicates Credit Act—we have to enter into an agreement with the Minister of Indian Affairs and Northern Development because there is no other way that we can take the security either in the land or the buildings to secure

[Interpretation]

chose qu'elle estime nécessaire pour lui permettre de consentir des prêts, en vertu de la présente loi, aux bandes visées à l'alinéa a) du paragraphe (1), ou pour en faciliter l'octroi.

Définition

(6) Aux fins du présent article, les mots «Indien», «bande» et «réserve» ont la signification que leur donne la *Loi sur les Indiens*."

Le président: Je vous remercie, monsieur le ministre.

Y a-t-il des questions? Oui, monsieur Danforth.

M. Danforth: J'ai deux questions que je voudrais poser. J'aimerais avoir des éclaircissements.

3A 1. La Société peut, avec l'approbation du gouverneur en conseil, conclure un accord avec le ministre des Affaires indiennes et du Nord canadien.

Je comprends cet article comme voulant dire qu'il n'est pas d'usage, ni pratique, ni même légal actuellement, que des Indiens des réserves fassent des demandes directement auprès du ministre à ce sujet. Je comprends très bien ce que cela implique. Mais, je crois savoir également que certaines bandes, actuellement, cherchent à avoir un plus grand contrôle de leurs propres affaires à la fois pour les dépenses d'argent et la réception des subventions, la passation d'accords sur la location des terres, la location des réserves, et que certaines bandes en arrivent presque à l'autoadministration.

La question que je voudrais poser au ministre est la suivante: si ces bandes ou ces réserves en arrivent au stade où elles sont en mesure de contrôler leurs propres affaires, est-ce qu'il sera nécessaire, d'après les termes de cette disposition, que la Loi soit amendée avant que ces bandes puissent faire directement des demandes dans le cadre de la Loi sur le crédit accordé aux syndicats de machines agricoles?

M. Olson: Monsieur le président, nous comprenons parfaitement qu'il y a des modifications actuellement à l'étude. Mais, tant que ces modifications n'auront pas été apportées pour que l'on puisse gager la terre ou gager l'actif—parce que vous savez par exemple que les immeubles sont maintenant inclus dans la Loi sur le crédit accordé aux syndicats de machines agricoles—il faudra conclure un accord avec le ministre des Affaires indiennes et du Nord canadien parce que, pour le moment, il n'y a absolument aucune

[Texte]

the loan, which is a requirement for people other than Indians who can in fact give legal security to the Corporation of land and buildings under the Act.

Mr. Danforth: Then, Mr. Chairman, it will not be possible for direct applications to be made, regardless of the status of the particular band, unless this provision shall be amended, should this piece of legislation pass.

Mr. Olson: It may be, but we would first have to see what the changes are if those changes come about, and if there is some way that the farmers on Indian reserves can give sufficient security in land or buildings. But at the present time there is no way that that can be done. Therefore we have to live—I suppose the Department of Agriculture—has to live with the law the way it is until it is changed.

Mr. Danforth: That leads me into my second question, then.

Mr. Olson: There is a point here that has been drawn to my attention. It is that the agreement—we are talking about an agreement between the Farm Credit Corporation and the Minister of Indian Affairs and Northern Development—may include many different arrangements, so that we are directing our attention to this agreement that would give us the security. Therefore if there are some changes that will provide Indian farmers with the right to enter into an agreement with us, that may satisfy the situation for our security requirements.

Mr. Danforth: Then, Mr. Chairman, from the Minister's statement, do we have to accept the fact that although we agree to the terms and provisions of this particular Act, as far as the Indians are concerned, they are subject not only to the regulations as prescribed by this Act but are also subject to its interpretation by another department and must qualify with the regulations as may be prescribed with regards to Indians under the other department as well? Am I correct in this assumption?

Mr. Olson: My answer has to be that we are not amending the Indian Act we are amending the Farm Machinery Syndicates Credit Act.

Mr. Danforth: I appreciate that. But is it not a fact that the Indians are not only subject to the terms of this Act, but to the manner in which the Department of Indian Affairs interprets this Act with regard to Indians,

[Interprétation]

autre manière pour nous d'avoir un gage sur ces Indiens ou ces réserves. C'est une nécessité de prévue.

M. Danforth: Donc, monsieur le président, il ne sera pas possible alors de faire une demande directe, quel que soit le statut de la bande, à moins que cette clause ne soit amendée, si cette Loi est votée?

M. Olson: Oui, c'est possible. Mais, tout d'abord, il faudra que nous voyions quelles sont ces modifications, si ces modifications doivent intervenir et s'il y a un moyen pour l'éleveur, pour l'agriculteur des réserves, de nous donner un certain gage. Mais il n'y a pas d'autres moyens de le faire pour le moment, et le ministère de l'Agriculture doit s'accommoder de la Loi telle qu'elle existe, tant qu'elle n'est pas modifiée.

M. Danforth: Cela m'amène à ma deuxième question.

M. Olson: Il y a également un point sur lequel on vient d'attirer mon attention. C'est que le genre d'accord, le genre de contrat—et c'est de cela dont nous parlons—nous parlons d'un contrat passé entre la Société du crédit agricole et le ministère des Affaires indiennes et du Nord canadien, eh bien, dans ce contrat, il peut y avoir toutes sortes de possibilités de prévues et, par conséquent, nous faisons porter notre attention principalement sur le contrat qui nous donnera un certain gage. Cela permettra donc à l'Indien qui veut passer un contrat avec nous d'apporter les gages nécessaires.

M. Danforth: Eh bien, monsieur le président, d'après la déclaration du ministre, est-ce qu'il faut accepter le fait que, bien que nous soyons d'accord avec les dispositions de la Loi que nous avons sous les yeux, en ce qui concerne les Indiens, ils restent soumis non seulement aux règlements prévus dans la Loi, mais également à l'interprétation qu'un autre ministère doit en faire et, par conséquent, doivent se conformer aux règlements prévus pour l'administration des Indiens dans un autre ministère? C'est bien cela?

M. Olson: Oui. Ce que je veux dire, c'est que ce n'est pas une modification, un amendement à la Loi sur les Indiens, mais c'est une modification à la Loi sur le crédit accordé aux syndicats de machines agricoles.

M. Danforth: J'en suis parfaitement conscient. Mais, n'est-il pas vrai que les Indiens sont soumis non seulement aux conditions de cette Loi, mais également à la manière dont le ministère des Affaires indiennes interprète

[Text]

and that these loans will be made available under regulations as they may prescribe?

Mr. Olson: All we are asking for in this Act is that we have security in either land or buildings; in other words, the assets that are concerned here to secure the loan.

... the Corporation may enter into an agreement with the Minister of Indian Affairs and Northern Development

So far as we are able to determine at this time, this is the only way that we can get the necessary security for the loan.

Mr. Danforth: Is the security provided by the Department of Indian Affairs?

Mr. Olson: I presume that the security, in the first instance—at least under the law that we have at the present time—would be provided by a guarantee by the Minister of Indian Affairs.

Mr. Danforth: My next question is on subclause (4), on which there has been considerable discussion and which I think we should have clarified before this particular amendment is allowed to pass. Under (4) it states directly:

(4) The total amount outstanding of loans that may be made to any one band under this Act shall not exceed ...

Mr. Olson: Yes.

Mr. Danforth: And we have the \$100,000 limit, or the lesser. This does not seem justifiable when we consider that in this country we have such a tremendous variance in the size of the bands that might operate under these terms.

Mr. Olson: Mr. Chairman, I would like to clear this up at once because this was also debated in the House of Commons under the amendments to the FCC. This \$100,000 is the maximum that is available to any organization, be it a syndicate, a corporation, a co-operative or a band. And in this case it is a band. However, the people that make up that band could have several corporations, or syndicates, or co-operatives where the loan is not made direct to the legal entity of the band. All this does is to put the same maximum on a loan to a band as to any other institution. There could be any number of syndicates made up of people within a band that could also apply for an amount up to \$100,000.

So this certainly does not restrict to \$100,000 the amount of money available to all the

[Interpretation]

cette Loi pour les Indiens, conformément aux règlements que ce ministère pourra fixer.

M. Olson: Tout ce que nous demandons dans cette Loi, c'est d'avoir un gage, soit en biens meubles, soit en biens immeubles ou en actif quelconque, afin de gager le prêt. C'est là la seule chose que nous voulons:

... la Société peut conclure un accord avec le ministre des Affaires indiennes et du Nord canadien.

Maintenant, c'est pour nous le seul moyen d'obtenir un gage pour ces prêts.

M. Danforth: Est-ce que le gage est souscrit par le ministère des Affaires indiennes?

M. Olson: Eh bien, actuellement, d'après la Loi, je pense qu'il y aurait une garantie d'apportée par le ministère des Affaires indiennes.

M. Danforth: Mon autre question porte sur le paragraphe (4).

On a beaucoup discuté de la question, et je pense que nous devrions y voir un peu plus clair.

Au paragraphe (4), on dit très clairement que:

le montant global non remboursé des prêts qui peuvent être consentis à une même bande en vertu de la présente Loi ne doit dépasser...

M. Olson: Oui.

M. Danforth: Et, nous avons ensuite la limite de \$100,000.

Il me semble que cela n'est pas justifiable lorsque l'on se rend compte que dans notre pays nous avons une telle différence dans l'importance des bandes.

M. Olson: Monsieur le président, je voudrais vous donner des renseignements là-dessus. On en a discuté à la Chambre des communes. Le montant de \$100,000 est celui qui peut être accordé au maximum, à n'importe quelle organisation, que ce soit un syndicat, une société, une coopérative ou une bande. Et, dans ce cas précis, si un prêt est accordé à la bande, mais que les gens qui représentent cette bande peuvent participer ou appartenir à plusieurs sociétés, comme des coopératives, etc., le prêt n'est pas accordé à la bande elle-même. Autrement dit, on peut leur accorder ce montant en nombre quelconque, à condition qu'il y ait autant de syndicats que de gens auxquels ils appartiennent.

Autrement dit, cela ne limite absolument pas le montant de l'argent qu'on peut accor-

[Texte]

people in that band. What it does is to spell out that the maximum of \$100,000 is there in any one loan whether it is made to a syndicate, or a co-operative or a corporation within the band, or indeed to the band as a legal entity making application for the loan.

Mr. Danforth: I am aware of the argument put forward by the Minister when this was dealt with before, but I am sure the Minister was aware that there was considerable doubt about the intent in the minds of many who have Indians in their ridings.

Now that the Minister has made this explanation for the second time, may I ask why the intent was not spelled out under subclause (4), if it was possible for more than one loan to be made to any one band and, in fact, \$100,000 under the provisions as set out by the Minister was not the limit? Why was the possibility of such an arrangement not detailed under the subclause?

Mr. Olson: I do not follow the question. As far as I can see it states very specifically and categorically in subclause (4) that all that is available to any one band is \$100,000, if the loan is made to the band.

Mr. Danforth: But the Minister has just finished stating, Mr. Chairman, that this is not the total amount of money that can be made available to the Indians on a reservation.

Mr. Douglas: Mr. Chairman, clause 3A (1) (b) (i) makes it quite clear that other groups of individuals can receive loans.

Mr. Horner: I have a supplementary, Mr. Chairman.

The Chairman: Mr. Horner?

Mr. Horner: In the second line of subclause (4), instead of the word "band", would it not be clearer if we used "syndicate"?

The total amount outstanding of loans that may be made to any one...

"syndicate". Why do you have to use the word "band"?

Mr. Olson: What we are trying to do is to improve this from the point of view of the

[Interprétation]

der à une bande. En fait, ce qui est fait, c'est qu'il est indiqué très clairement que le montant maximum de \$100,000 est celui qui est accordé, quelque soit le prêt, que ce soit à un syndicat, à une société, à une bande, etc., quel que soit l'organisme qui en fait la demande.

M. Danforth: Je comprends très bien l'argument avancé par le ministre. Cela a déjà été discuté précédemment. Mais je suis certain que le ministre se rendait bien compte que beaucoup de ceux qui ont des Indiens dans leur circonscription doutaient de la portée de cette Loi.

Maintenant que cette explication nous a été donnée pour la deuxième fois, est-ce que je pourrais alors demander pourquoi cela n'a pas été indiqué clairement dans le paragraphe (4), si c'était là l'intention de la Loi, c'est-à-dire un prêt d'accordé à une seule bande et, en fait \$100,000, d'après les dispositions ministérielles, ce n'est pas là la limite. Pourquoi l'éventualité de cet arrangement n'a-t-elle pas été mentionnée dans le paragraphe?

M. Olson: J'avoue que je ne comprends pas très bien votre question. Au contraire, je vois très clairement, au paragraphe (4), que tout ce que l'on dit, c'est que le montant maximum qui peut être accordé à une seule bande est de \$100,000, si c'est à la bande que l'on fait le prêt.

M. Danforth: Le ministre vient juste de dire, monsieur le président, que ce n'est pas le montant total qui peut être mis à la disposition des Indiens de nos réserves.

M. Douglas: L'article 3A. (1) b) (i) dit très clairement qu'il y a d'autres catégories ou groupes de personnes qui peuvent en bénéficier.

M. Horner: J'ai une question supplémentaire à poser, monsieur le président.

Le président: Monsieur Horner?

M. Horner: Est-ce qu'il ne serait pas préférable d'avoir, à la deuxième ligne du paragraphe (4), le mot «syndicat» au lieu d'avoir le mot «bande»? C'est-à-dire:

Le montant global non remboursé des prêts qui peuvent être consentis à une même...

«syndicat». Pourquoi est-ce que vous avez utilisé le mot «bande»?

M. Olson: Ce que nous cherchons à faire, c'est à améliorer cela du point de vue des

[Text]

Indian farmers. If there is no syndicate or co-operative or other legal entity, then the band may be considered as that entity.

Mr. Horner: The band then makes application the same as a syndicate.

Mr. Olson: Certainly.

Mr. Horner: Well then it is then considered a syndicate for the purpose of this act.

Mr. Olson: It cannot qualify unless it is.

Mr. Horner: That is muddled wording at best.

Mr. Lind: A supplementary, Mr. Chairman. A farming corporation is an incorporated company. What is the minimum and the maximum number of farmers that can join this company?

Mr. Olson: That is under the definition clause. Clause 2 Paragraph (c) Subparagraph (ii) says:

(ii) a farming corporation in which three or more shareholders are engaged in farming, the principal occupation of a majority of whom is farming...

So three is the minimum, but there is no maximum.

Mr. Lind: Thank you very much.

The Chairman: Mr. Horner, were you finished your questioning?

Mr. Horner: No, Mr. Chairman, but I want to deal with another aspect. That is poorly worded, but if the Minister wants to stick with his interpretation, all right. I want to ask a question on liability.

Mr. Danforth: I am not finished yet.

Mr. Horner: I am sorry.

The Chairman: Then we will return to Mr. Danforth.

Mr. Danforth: I am on a supplementary, Mr. Chairman, but I would like to pursue this.

The Minister states that this amendment makes it possible for a bank to enter into an agreement with the department on a farm syndicate loan, and I am quite prepared to accept that. But is it not true that this amendment in itself does not make it possible for other groups of farmers on a reservation or

[Interpretation]

agriculteurs indiens. S'il n'y a ni syndicat, ni coopérative, ni autre organisme légal, la bande peut être considérée comme organisme officiel.

M. Horner: La bande fait alors une demande, comme le ferait un syndicat.

M. Olson: Certainement.

M. Horner: Donc, on considère la bande comme un syndicat, aux fins de la présente loi.

M. Olson: Seulement si elle a été déclarée comme telle.

M. Horner: Je pense que c'est vraiment jouer sur les mots.

M. Lind: Monsieur le président, une question supplémentaire. Une société agricole est une société légalement constituée. Quels sont les nombres minimum et maximum d'agriculteurs qui peuvent entrer dans cette société?

M. Olson: Cela est indiqué dans les définitions. On dit, au sous-alinéa (ii) de l'alinéa c) de l'article 2:

(ii) une corporation d'agriculture dont trois des actionnaires ou plus s'adonnent à l'agriculture, lorsque la principale occupation de la majorité d'entre eux est l'agriculture...

Donc, le nombre minimum est trois, mais il n'y a pas de maximum.

M. Lind: Merci beaucoup.

Le président: Monsieur Horner, est-ce là toutes vos questions?

M. Horner: Non, monsieur le président, je voudrais passer à un autre aspect. Le texte est mauvais, mais si le ministre veut s'en tenir à son interprétation, entendu. J'ai une question à poser au sujet de la responsabilité.

M. Danforth: Je n'ai pas encore fini.

M. Horner: Excusez-moi.

Le président: Dans ce cas, vous avez la parole, monsieur Danforth.

M. Danforth: J'en suis à une question supplémentaire, monsieur le président, mais je voudrais pousser la chose un peu plus loin.

Le Ministre nous dit que cette modification permet à une bande de conclure un accord avec le Ministère pour un prêt de syndicat agricole et j'accepte très bien cette idée. Mais n'est-il pas exact que cette modification, en soi, ne permet pas à d'autres groupes d'agriculteurs d'une réserve ou d'une bande de

[Texte]

within a band to make application for a syndicate loan?

Mr. Olson: No, it does not.

Mr. Danforth: It is not possible then for other farmers.

Mr. Olson: Yes, it is possible. It does not make it impossible. That was the question, as I understood it.

Mr. Danforth: Yes, that is true.

Mr. Minister, since this is an agreement between the Department of Agriculture and the Minister of Indian Affairs and Northern Development and this deals with a band and restricts the loans to a band to \$100,000, how is it possible for other groups of farmers within a band, provided they wish to form a syndicate, to make application?

Mr. Olson: They would make an application as a syndicate or a co-operative or a corporation but not as a band, and we are providing here so that they can make application with the legal entity as the band as well as those other...

Mr. Danforth: May I ask one further question then? If, as stated by the Minister, it is possible for them to make application, how can they provide security?

Mr. Olson: By an agreement entered into between the corporation and the Minister of Indian Affairs and Northern Development.

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Mr. Danforth: Well is it possible then for a band to make application and obtain a syndicate loan through the Minister of Indian Affairs and Northern Development, giving property as security, and then another syndicate of Indians or a half a dozen syndicates of three or more Indians to make applications for loans using the same property as security?

Mr. Olson: We are not talking about them giving the property as security because I do not think that there is any way, even at the present time, that the Minister of Indian Affairs and Northern Development can give as security the land. We would get an agreement from him which would be tantamount, I think, to a guarantee.

Mr. Danforth: In other words then, the Minister of Indian Affairs and Northern Development gives the guarantee to the department with regard to a band?

[Interprétation]

faire une demande pour un prêt syndical?

M. Olson: Non, en effet.

M. Danforth: Ce n'est donc pas possible pour d'autres agriculteurs.

M. Olson: Si, c'est possible. Cela n'empêche pas que ce soit possible. C'est bien là votre question?

M. Danforth: Oui, c'est cela.

Monsieur le ministre, étant donné que c'est là un accord passé entre le ministère de l'Agriculture et le ministre des Affaires indiennes et du Nord canadien, et que cela concerne une bande et limite le prêt à une bande à \$100,000, comment est-il possible à d'autres groupes d'agriculteurs d'une bande, s'ils veulent se constituer en syndicat, de faire une demande?

M. Olson: Ils feraient une demande en tant que syndicat ou en tant que coopérative ou en tant que société, mais pas en tant que bande. Et il est prévu ici qu'ils puissent faire une demande avec la bande en tant qu'organisme légal aussi bien que les autres...

M. Danforth: Puis-je poser une autre question, dans ce cas?

Si, comme l'a dit le ministre, il leur est possible de faire une demande, comment leur est-il possible de fournir une garantie?

M. Olson: Par un accord conclu entre la société et le ministre des Affaires indiennes et du Nord Canadien.

M. Danforth: Dans ce cas, est-il possible à une bande de faire une demande et d'obtenir un prêt de syndicat, par l'intermédiaire du ministre des Affaires indiennes et du Nord canadien en offrant leurs terres en garantie et à un autre syndicat d'Indiens, ou à une demi-douzaine d'autres syndicats de trois Indiens ou plus, de venir aussi faire une demande de prêt en utilisant les mêmes terres comme garantie?

M. Olson: On n'a jamais dit qu'ils allaient donner leurs terres en garantie, car je ne pense pas que, même actuellement, il y ait un moyen quelconque pour le ministre des Affaires indiennes et du Nord canadien d'offrir la terre en garantie. Nous obtiendrions simplement de lui un accord qui aurait valeur de garantie.

M. Danforth: Autrement dit, c'est le ministre des Affaires indiennes et du Nord canadien qui offre au ministre de l'Agriculture une garantie au nom d'une bande?

[Text]

Mr. Olson: To the corporation, yes.

Mr. Danforth: Then the Minister of Indian Affairs would also be required to give the guarantee of security where each of the syndicates were involved.

Mr. Olson: Yes.

The Chairman: Mr. Danforth, would you be prepared to yield the floor so I may recognize Mr. Horner? I will return to you again.

Mr. Danforth: That is fair enough.

The Chairman: Mr. Horner?

Mr. Horner: Yes, I would like to deal with the question of liability. Suppose, for example, under the Farm Syndicates Act seven members form a syndicate. In signing the liabilities for the \$100,000 loan what amount is each person held liable for?

Mr. Olson: I will ask Mr. Owen to explain.

Mr. G. Owen (Chairman, Farm Credit Corporation): When the syndicate borrows, regardless of the number of persons in it, they are jointly and severally liable for the amount of the loan. I would like to emphasize however that the syndicate itself has assets in the nature of machinery, buildings or whatever else may be purchased by the syndicate with the loan to counterbalance the liability, so that while they are jointly and severally responsible for repayment of the loan they also share jointly and severally in the assets of the syndicate—and these are balancing forces.

Mr. Horner: You do not think that this is too rigid a stipulation, that each member should only be liable for a portion of the loan?

Mr. Owen: This is a matter which has come up on many occasions. If you wish, I can give you a fairly long answer setting forth the various factors that are considered.

First, an essential ingredient for a successful syndicate is a spirit of co-operation and trust by the members. This is supplemented by a written agreement which provides the ways in which individual members can protect themselves against failure or default on the part of other members. Now because they are jointly and severally liable, in the purchase of machinery particularly—because this is something a farmer cannot wait for very

[Interpretation]

M. Olson: Au nom de la société, oui.

M. Danforth: Le ministre des Affaires indiennes doit donc aussi offrir une garantie dans le cas de chacun des syndicats.

M. Olson: C'est cela.

Le président: Monsieur Danforth, voudriez-vous avoir l'obligeance de céder la parole à M. Horner? Nous reviendrons à vous plus tard.

M. Danforth: Avec plaisir.

Le président: Monsieur Horner?

M. Horner: Je voudrais parler de la question de la responsabilité. Supposons, par exemple, qu'en vertu de la Loi sur les syndicats agricoles, sept membres forment un syndicat. Dans la signature des engagements pour le prêt de \$100,000, de quel montant chaque personne est-elle responsable?

M. Olson: Je vais demander à M. Owen de vous expliquer cela.

M. G. Owen (président de la Société du crédit agricole): Lorsque le syndicat fait un emprunt, quel que soit le nombre de personnes qui y participent, elles sont toutes conjointement et solidairement responsables du montant du prêt. J'aimerais vous faire remarquer, toutefois, que le syndicat lui-même a un actif donné, sous forme de machines, de bâtiments, ou de tous autres biens qu'il pourrait acheter avec l'argent du prêt, qui contrebalance donc le passif; ainsi, ces personnes sont conjointement et solidairement responsables du remboursement du prêt, mais ils ont aussi en propriété conjointe et solidaire l'actif de la société et les deux facteurs s'équilibrent.

M. Horner: Ne pensez-vous pas que cette disposition est un peu trop rigide, et que chaque membre devrait seulement être responsable d'une portion du prêt?

M. Owen: Cette question a déjà été soulevée à maintes reprises. Si vous le voulez, je peux vous donner une réponse très longue en vous expliquant les divers facteurs qui entrent en ligne de compte.

Premièrement, un élément essentiel au succès d'un syndicat est l'esprit de collaboration et de confiance mutuelle de ses divers membres. Cela se complète d'un accord écrit qui fixe les modalités selon lesquelles les divers membres peuvent se protéger contre l'échec ou contre les manquements d'autres membres du syndicat. Du fait qu'ils sont conjointement et solidairement responsables, en particulier dans le cas d'achat de machines—car c'est le

[Texte]

long—they all sign the note and we can make a loan to them to buy the machinery without any of the cost, delay or inconvenience required in taking chattel mortgages. As a matter of fact, we generally do not take a chattle mortgage because we have the signatures of a group of farmers.

Second, this joint and several liability enables some established farmers to co-operate with a syndicate, with some young farmer getting established who himself has not the credit rating. They know him and they trust him so they can assist him in that way.

If they were not jointly and severally liable, if each was liable for a particular share of the loan, then in many instances we would have to refuse to lend to a syndicate because of the credit rating or position of one member, and we would have to go to the other fellows and say, "We will not lend to you as a syndicate unless you get rid of this particular neighbour". Now when they are jointly and severally liable they make their own decisions as to who will go in with them on the basis of their knowledge and understanding of that person.

Another real significant thing is that if each was responsible only for his portion of the loan then if one individual failed to meet his obligations and we were required to go in and, say, repossess the machinery, we would jeopardize the operations of all the other farmers. So within the content of the agreement between themselves they have arrangements they can settle with individuals who do not meet their obligations.

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I might mention one further aspect. Syndicate agreements are very much the same as partnership agreements. Many people say they are in fact legitimate partnership agreements. Now in almost all instances, except where you are dealing with silent partners, by the laws of the provinces members of a partnership are jointly and severally liable for the obligations of the partnership.

Putting all these reasons together, it seems to be a sound lending practice—and this is an essential ingredient. It is not however a particularly strong deterrent as long as the individual members of that syndicate are satisfied to mutually trust one another in their operations. This is necessary, apart from their liability, if they are going to share machinery.

[Interprétation]

genre de choses qu'un agriculteur ne peut se permettre d'attendre trop longtemps—ils signent tous le billet, et nous pouvons leur faire un prêt pour qu'ils achètent leurs machines, sans les frais, les délais et les inconvénients d'une hypothèque sur les biens. En fait, nous ne faisons généralement pas d'hypothèque sur les biens, puisque nous avons la signature du groupe d'agriculteurs.

Deuxièmement, cette responsabilité conjointe et solidaire permet à des agriculteurs établis de collaborer avec un syndicat, avec quelque jeune agriculteur qui s'établit et n'a pas lui-même le crédit nécessaire. Le syndicat les connaît et leur fait confiance, et il peut les aider, par conséquent.

S'ils n'étaient pas conjointement et solidairement responsables, et si chacun n'était responsable que d'une part donnée du prêt, bien souvent, il nous faudrait refuser d'accorder un prêt au syndicat à cause du crédit ou de la situation de l'un de ses membres, et il nous faudrait dire aux autres: «Nous ne ferons pas de prêt à votre syndicat à moins que vous ne vous débarrassiez de telle personne.» Tandis que lorsqu'ils sont conjointement et solidairement responsables, c'est à eux de décider, d'après ce qu'ils savent d'une personne, si elle peut se joindre à eux.

Un autre facteur important, c'est que, si chacun était responsable uniquement de sa portion du prêt, et qu'une personne ne remplisse pas ses engagements et qu'il nous faille, disons, récupérer le matériel, cela compromettrait l'exploitation de tous les autres agriculteurs. Par conséquent, dans le contrat qu'ils ont passé entre eux, ils ont prévu la manière de régler le cas des personnes qui ne remplissent pas leurs engagements.

Je pourrais mentionner un autre point. Les contrats des syndicats sont très semblables aux contrats d'association. Bien des gens disent que ce sont en fait des contrats légitimes d'association. Or, dans presque tous les cas, sauf lorsque l'on traite avec un partenaire invisible, les membres d'une association sont en vertu des lois provinciales, conjointement et solidairement responsables des engagements de cette association.

Notre méthode de prêt semble donc bonne, étant donné tous ces facteurs—qui sont un élément essentiel. Mais ce n'est pas un inconvénient grave, tant que les membres du syndicat sont assurés de la confiance des autres, cela nous permet d'être certains de récupérer le matériel si on en a besoin.

[Text]

Mr. Horner: All right. Accepting your explanation, Mr. Owen, that as long as all are mutually satisfied, is it not a fact that the farm syndicate loan up to this date has been mostly used by family groups, whether cousins, brothers, or relations of one form or another, that they have been the greatest users in the general application of the Farm Machinery Syndicates Credit Act to this date?

Mr. Owen: I would suggest that they do consist of a fair percentage, but there are a great number who are not. We have for example the syndicate with, I think, 86 members who are not related to one another. We have a great number of syndicates where they are not related to one another at all, and are farming actually independently.

Mr. Horner: This act is now going to be changed to allow for improvements to land and to buildings. Am I right? These are two new changes?

Mr. Owen: Yes.

Mr. Horner: In regard to those two major changes in the Farm Machinery Syndicates Credit Act, supposing you had seven members of a syndicate and one defaulted his share, I am certain that the other six, if it was an investment in land, would pick up that share. I am certain they would. Whereas with machinery alone, they would say: "Well the machinery deteriorated so much you can do what you like with it." Do you know what I mean?

Mr. Owen: Yes.

Mr. Horner: There is a different responsibility with regards to land and buildings than there is to machinery. Do you not think there would be a wider application of the act if you would accept the liability broken down into each share. Do you understand what I mean?

Mr. Owen: Yes, I know.

Mr. Horner: I am explaining the point very poorly.

Mr. Owen: You mean if the loan was broken down and a certain portion of the loan allocated to the responsibility of each individual. I must say that while the responsibility of the syndicate to the Farm Credit Corporation is joint and several, the agreement between the members of the syndicate itself does provide this breakdown as to what

[Interpretation]

M. Horner: Eh bien, monsieur Owen, j'accepte vos explications à condition qu'ils soient tous conjointement assurés de la chose. Mais, est-ce qu'il n'est pas vrai que, jusqu'à présent, les prêts ont été surtout utilisés par des groupes familiaux, c'est-à-dire des frères, des cousins ou des parents en quelque sorte et que c'est surtout dû à cela que cette loi survit.

M. Owen: Il y a un grand pourcentage de cas semblables, mais il y a aussi un grand nombre qui n'en font pas partie. Je crois qu'il y a un syndicat qui comporte 86 membres qui n'ont aucun lien de parenté entre-eux et ils agissent d'ailleurs très indépendamment.

M. Horner: Alors, cette loi va être modifiée afin de permettre une amélioration à l'aménagement du terrain, et à l'aménagement des bâtiments.

M. Owen: Oui.

M. Horner: C'est là la modification importante de la loi. En permettant ces deux modifications dans la loi, est-ce que vous ne pensez pas qu'il y aurait une plus grande utilisation, notamment, étant donné la caractère permanent de la loi, par exemple, supposons que vous ayez 7 membres dans un syndicat et qu'un des membres ne puisse pas payer sa part. Je suis certain que les six autres membres si c'était un investissement immobilier, je suis certain que les autres six vont alors acheter sa part. Et, c'est certainement le cas.

M. Owen: Oui.

M. Horner: Alors qu'avec du matériel, étant donné que les machines se détériorent rapidement, il pourrait dire d'en faire ce que vous voulez. Autrement dit, la responsabilité est différente selon qu'il s'agit d'un terrain ou des bâtiments ou des machines. Et, vous ne pensez pas qu'il serait préférable dans la loi de ne tenir compte que de la responsabilité et de séparer selon la part. Je m'exprime mal mais vous me comprenez...

M. Owen: Oui...

M. Horner: Je m'exprime bien mal.

M. Owen: Si le prêt était divisé et que certaines parties du prêt étaient confiées à chaque individu, je dois vous dire que la responsabilité du syndicat devant la Société de crédit agricole est conjointe. Et l'accord est un accord qui prévoit cette répartition pour savoir quelle est la part dont chacun est responsable à l'égard du syndicat.

[Texte]

part each one is responsible for to the syndicate itself.

Mr. Horner: Yes, but they all have to sign the liability for \$100,000.

Mr. Owen: Oh, yes, but they also all have to sign an agreement in which they allocate as between themselves their relative responsibilities. And they also have provisions within their agreement to protect themselves in the event of the default of any one member.

Mr. Horner: Another question. Supposing I want to buy a major piece of land and I want to do a major piece of improvement on that land with buildings and so on, and supposing it is going to take more than \$100,000 to swing this deal, and let us suppose that there were 9 or 10 of us who were interested in this deal, could we then form three syndicates and get \$300,000? We could break down the project into three categories, too, if we wanted to?

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Mr. Owen: I might mention to begin with that the bill does not provide that a syndicate could buy farm land for farming.

Mr. Horner: Oh, I did not say farming.

Mr. Owen: This is a piece of land on which to erect a building which they can use jointly.

Mr. Horner: I will give you an example. I was thinking of a feed mill, a feed-mixing program. You would have to buy the land, and you would have to build the buildings.

Mr. Owen: That is right, and this would have to be one syndicate that owned and operated it.

Mr. Horner: All right. It would have to be one syndicate that owned the land or owned the feed mill. Then could another syndicate own the trucks that delivered the feed?

Mr. Owen: It is rather difficult to go into all types of...

Mr. Horner: Could another syndicate buy a piece of land and build a feed lot alongside the feed mill?

Mr. Owen: I would say that a syndicate could buy land to establish a feed lot, but the land and buildings become one when they are put together. A syndicate could buy land to

[Interprétation]

M. Horner: Mais, malgré tout, ils doivent tous signer la responsabilité conjointe de \$100,000.

M. Owen: Ah oui, mais ils doivent également signer un contrat de par lequel ils se répartissent entre eux les différentes responsabilités et il est également prévu dans cet accord qu'ils se protègent les uns contre les autres au cas où l'un d'entre eux ne pourrait répondre à ses obligations.

M. Horner: Maintenant, une autre question. Supposons, par exemple, que je veuille acheter un gros terrain et que je veux l'aménager avec des bâtiments, etc., etc., supposons que cela dépasse \$100,000, est-ce que... et supposons que, par exemple, nous soyons 9 au 10 intéressés dans cette transaction. Est-ce que nous pourrions fonder 3 syndicats et obtenir 3 prêts différents et que l'on puisse diviser l'entreprise en 3 catégories?

M. Owen: J'aimerais mentionner que la loi ne prévoit pas que le syndicat puisse se rendre acquéreur de terrains pour l'agriculture.

M. Horner: Oh non, je n'ai pas parlé d'agriculture.

M. Owen: Je parle d'un terrain où doivent être construits des bâtiments utilisés conjointement.

M. Horner: Oh oui, parfaitement, dans mon exemple je pensais par exemple à un moulin à provendes, où à un programme de mélange de provendes. Il faut acheter le terrain et puis il faut construire le bâtiment.

M. Owen: Il devrait y avoir un syndicat qui possède le terrain ou possède le moulin à provendes.

M. Horner: Mais, est-ce qu'un autre syndicat pourrait posséder les camions qui apportent les aliments.

M. Owen: Ce serait difficile...

M. Horner: Est-ce qu'un autre syndicat pourrait, lui, construire un parc à engrais?

M. Owen: Eh bien, je dis qu'un syndicat peut acheter du terrain près du moulin pour y construire un parc d'engraissement. Et puis, le syndicat pourrait acheter du terrain pour

[Text]

build a feed mill and that thing then, when it is built, becomes one unit by one syndicate. Now if some farmers wish to have a syndicate to have a feed lot beside a group of farmers who had a syndicate to have a feed mill, offhand there is nothing in the legislation to prevent it. If it looked to us to be a sound proposition, they could do this.

Mr. Horner: Could a farmer be a member of either or both syndicates?

Mr. Owen: Yes, he could.

Mr. Horner: Or all syndicates?

Mr. Owen: Technically, in so far as the law is concerned.

Mr. Horner: And the same thing would apply with regard to growing vegetables in a vegetable distribution centre, and a vegetable machinery centre.

Mr. Owen: Not to the growing of the vegetables.

Mr. Horner: Well, what I meant was the machinery towards the washing, grading and processing, and harvesting machinery. Yes?

Mr. Owen: Yes.

Mr. Horner: And then you could have another group build the warehouse, the cold storage house.

Mr. Owen: Remember that each syndicate acquires assets.

Mr. Horner: Oh, yes.

Mr. Owen: It must be assets primarily for their own use, not primarily for the use of another group.

Mr. Horner: You could have one syndicate formed to purchase and to operate the harvesting machinery; another syndicate formed to do the warehousing; and another syndicate formed for the distribution of vegetables, the processing, the packaging and so on. Could a person be a member of each one of those syndicates? In fact, could those syndicates consist of the same members?

Mr. Owen: Technically, hypothetically, providing they set themselves up as separate syndicates, there would be nothing to prevent it.

Mr. Horner: Fine.

Mr. Owen: Mind you, in the course of this thing we are going to be looking at this from a point of view of sound lending.

[Interpretation]

construire le parc d'engrais. Cela constitue un seul élément. Maintenant, si certains agriculteurs veulent avoir un syndicat pour avoir un parc d'engrais, et puis un autre pour avoir un moulin à provendes, il n'y a rien, apparemment, dans la loi qui les en empêche, si c'est là une proposition rentable.

M. Horner: Est-ce qu'un agriculteur peut appartenir à l'un ou à l'autre ou aux deux syndicats?

M. Owen: Oui, absolument.

M. Horner: A tout syndicat?

M. Owen: Oui, d'après la loi, oui.

M. Horner: Maintenant, est-ce que cela pourrait s'appliquer à des productions de légumes? Un centre de distribution et de machinerie?

M. Owen: Pas pour la culture des légumes.

M. Horner: Je parle des machines pour le lavage, le calibrage, etc., la moisson, etc., la récolte, etc.

M. Owen: Oui.

M. Horner: Puis vous pouvez avoir un autre groupe qui construira l'entrepôt, l'entrepôt frigorifique.

M. Owen: N'oubliez pas que chaque syndicat acquiert des actifs propres.

M. Horner: Oh oui...

M. Owen: Ces actifs doivent être à leur propre usage, non pour l'usage par un autre groupe.

M. Horner: Vous pouvez donc avoir un syndicat qui est chargé d'acheter le matériel de récolte et puis un autre qui s'occupe du matériel d'entrepôt, puis un autre qui est établi pour la distribution, pour le traitement, etc. Et puis, vous pouvez avoir un membre qui appartient à chacun de ces syndicats. En fait, est-ce que ces syndicats pourraient se composer des mêmes membres?

M. Owen: Théoriquement, il n'y aurait rien qui puisse les en empêcher.

M. Horner: Bien.

M. Owen: N'oubliez pas une chose, c'est que tout est envisagé au point de vue de la rentabilité et de la sécurité du prêt.

[Texte]

Mr. Horner: Oh, yes. I have great confidence and faith in the agricultural industry. I have one further question. Why the age 21 in the act, with regard to a syndicate borrower? I am thinking of a father-son arrangement.

Mr. Owen: In this act?

Mr. Horner: Yes, in this act.

Mr. Owen: Where is it?

Mr. Horner: Right in the amendment. The Minister read it out, and age 21 is in there.

Mr. Owen: In the Indian section.

Mr. Horner: Well, in the Indian section, but I would imagine it would apply in the other sections.

Mr. Owen: I will tell you why. An individual under 21 years of age under provincial law is not able to incur the legal liabilities for which we could collect. Then we come down to the question of mortgaged land and that sort of thing. When you come down to the question of incorporation, this is why it is put in there, so that the shareholder in a corporation will be in the same position as the individual. If an individual under 21 years of age can not borrow, then it seems inconsistent that he should be able to join a corporation and borrow.

Mr. Horner: Yes, but the difference here, Mr. Owen, is that supposing each member signs a full liability before the \$100,000 is borrowed. Then you could well take in a son 18 or 19 years of age who is engaged on the farm. Supposing you had four or five farmers and two of them had sons and they wanted to borrow \$100,000. Supposing the sons were 18 or 19 years of age, would it not be wise—particularly now with the Estate Tax Act being amended in the way it is—to work them in right at the beginning?

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An hon. Member: They cannot even legally lease land.

Mr. Horner: No, but here is the difference in this particular act, and that is that the members are signing for the total liability. He does not take any real liability, because the others are backing him up and if they do not believe he should be in there, then they do not take him in, as you said in your own words to an explanation of a question earlier.

[Interprétation]

M. Horner: Oh oui, absolument. J'ai parfaitement confiance dans l'industrie agricole, n'oubliez pas cela. Maintenant, il y a une autre question que je voudrais poser. Pourquoi est-ce que vous avez fixé l'âge à 21 ans, dans la loi? Je pense à la question père et fils, des contrats père et fils.

M. Owen: Vous voulez dire dans cette loi?

M. Horner: Oui, dans cette loi.

M. Owen: Où trouvez-vous cela?

M. Horner: C'est dans l'amendement. C'est l'amendement qui nous a été lu par le ministre, il y a un instant, on y indique 21 ans.

M. Owen: Dans la section concernant les Indiens?

M. Horner: Dans la section concernant les Indiens; je pense que cela s'applique aux autres sections également.

M. Owen: Bon, je vais vous dire pourquoi. Les individus de moins de 21 ans, d'après la loi provinciale, ne peuvent pas être légalement responsables devant la loi. Maintenant, si on prend par exemple aux terrains hypothéqués, lorsque l'on arrive à cette question d'enregistrement, par exemple, les actionnaires d'une société se retrouvent dans la même situation que chaque individu. Autrement dit, si un individu qui a moins de 21 ans ne peut faire un emprunt, eh bien, il est parfaitement incompréhensible qu'il puisse s'associer en une société et alors faire un emprunt.

M. Horner: Oui, mais la différence à ce moment-là, monsieur, c'est que, si on suppose que chaque membre signe une responsabilité totale sur les \$100,000 d'emprunt, vous pouvez à ce moment-là prendre un garçon de 18 ou 19 ans qui se consacre à l'agriculture, si vous avez trois ou quatre fermiers, par exemple, et que deux d'entre-eux ont des fils, s'ils veulent emprunter \$100,000, est-ce qu'il ne serait pas sage, si le garçon a 18 ou 19 ans, avec l'amendement de la taxe sur les propriétés, est-ce qu'il ne serait pas bon de l'associer dès le début?

Une voix: Ils ne peuvent même pas louer une terre.

M. Horner: Non, mais voilà la différence avec cette loi. C'est que les membres qui signent, qui souscrivent, ont une responsabilité totale. Le fils ne prend aucune responsabilité parce que les autres l'appuient. Et s'ils ne pensent pas qu'il est capable de faire partie de la société ils ne l'acceptent pas. Vous l'avez dit vous même auparavant.

[Text]

Mr. Owen: The actual practical application of it is that the signature of the son under 21 years of age would have no validity so far as collecting the money is concerned.

Mr. Horner: Yes, but you could collect it from the other members under their liability, under their signatures. In the example I used, you have five people backing that \$100,000.

Mr. Owen: I was under the impression that that was one of the reasons why you objected to joint and several liability in the first place.

Mr. Horner: Why I objected to it?

Mr. Owen: Yes, why you objected to it in the first place.

Mr. Horner: I objected to it because it limits. I would not risk a \$100,000 loan unless I was getting full advantage of the \$100,000.

Mr. Owen: What you are actually doing here is assigning to this individual the right to borrow money and sign an agreement with the full knowledge that he cannot be held liable for it and with the full knowledge that the other members of the syndicate can be held legally liable, and this is an inequitable position between lender and borrower.

Mr. Whicher: The signature would be no good at all. For the term of that contract his signature would be no good—not until the loan was paid off.

Mr. Horner: His signature does not really have to be good because the other people are backing him.

Mr. Whicher: Is it fair that when the man is 40, he is not responsible...

The Chairman: Order, please. It is obvious that we are not going to conclude our considerations. Our time is expiring. I do have other members on my list. It would probably be fair, if you do not mind, Mr. Horner...

Mr. Horner: Just one quick question. How do you get around the application of this Bill towards buildings in the Province of Quebec where it is very difficult to secure the type of chattel mortgages that are necessary?

Mr. Owen: Chattel mortgages?

Mr. Horner: In the Province of Quebec.

Mr. Owen: The laws of the Province of Quebec were amended, I suppose as much as

[Interpretation]

M. Owen: L'application pratique de cela c'est que la signature du fils qui n'a pas 21 ans n'a aucune valeur en ce qui concerne le remboursement de l'argent.

M. Horner: Oui, mais on peut obtenir cet argent des autres membres. D'après l'exemple que j'ai ici, il y a cinq personnes qui souscrivent à cette responsabilité d'un prêt de \$100,000.

M. Owen: J'étais sous l'impression que c'était une des raisons qui vous empêchait de vous rallier.

M. Horner: Pourquoi m'y suis-je opposé?

M. Owen: Oui, vous vous êtes tout de suite opposé.

M. Horner: La raison pour laquelle je m'oppose à cela, c'est qu'on limite ainsi les prêts. Je ne risquerais pas un prêt de \$100,000 à moins que je puisse retirer le plein avantage de ces \$100,000.

M. Owen: De fait, on assigne à cette personne le droit d'emprunter de l'argent, de signer un accord, en pleine connaissance du fait qu'il ne peut pas être tenu responsable et que les autres personnes peuvent être tenues responsables. C'est une position injuste.

M. Whicher: Pour la durée du contrat, la signature ne vaudrait rien même si la personne a quarante ans...

M. Horner: La signature n'a pas besoin d'être honorée, car les autres sont responsables de lui.

M. Whicher: Est-ce juste, lorsqu'un homme, à 40 ans, n'est pas responsable?

Le président: Évidemment, nous n'allons pas conclure notre étude de cette question. Je pense que l'heure avance, il y a d'autres députés qui veulent poser des questions et il serait peut-être juste, si vous n'avez pas d'objections, monsieur Horner...

M. Horner: Une question rapide. Que dire de l'application de cette loi dans la province de Québec où il est très difficile d'obtenir une hypothèque sur biens meubles?

M. Owen: Des hypothèques sur biens meubles.

M. Horner: Dans la province de Québec.

M. Owen: Les lois de la province de Québec ont été modifiées en autant que possible

[Texte]

possible to accommodate our particular program so that we can take pledges on livestock and machinery.

The Chairman: I would like to recognize Mr. Moore, Mr. Thomson, Mr. Gleave and Mr. Korchinski who have not had an opportunity of asking any questions. Will you please try and share the remainder of the time? I recognize Mr. Moore.

Mr. Moore (Wetaskiwin): In the case of Indians forming a syndicate and purchasing land, let us say, on the perimeter of a fixed reservation—land that up until this time had not been part of the reservation—would that land then become part of the reservation?

Mr. Owen: I think here we are coming to part of the Indian Act, but I would suggest that once an Indian moves off the reserve and buys land, he is the same as any other citizen. Our amendment with respect to Indians in this Bill relates purely to those who are farming on the reserve; off the reserve they are the same as everyone else.

Mr. Moore (Wetaskiwin): I realize that, but they can still live on the reserve and buy adjoining land outside of the reservation. This might pose a problem.

Mr. Owen: I suggest that outside the reservation they would be regarded the same as any other land owner.

Mr. Moore (Wetaskiwin): But they do not live outside the reservation. May I ask a further question, then? Suppose there were 300 bonafide farmers in an Indian band—and this is quite possible—would they then be able to form 100 syndicates and each syndicate borrow \$100,000? Perhaps this sounds ridiculous, but in theory could it happen?

Mr. Owen: The first two members in the syndicate could only borrow \$45,000.

Mr. Moore (Wetaskiwin): Oh, yes, I see.

Mr. Owen: But there is no limitation on the number of syndicates which might be formed within the confines of that reserve.

Mr. Douglas: Mr. Chairman, would that not be subject to the approval of the Minister of Indian Affairs?

Mr. Owen: Yes, but it would depend upon the terms of an agreement. We do not visualize the individual guarantee of each loan by the Minister of Indian Affairs, but rather a guarantee of loans in general providing they are made within certain requirements.

[Interprétation]

pour s'accommoder à notre programme afin de pouvoir hypothéquer le bétail et la machinerie agricole.

Le président: Je donne la parole à M. Moore, M. Thompson, M. Gleave et M. Korchinski, qui n'ont pas eu l'occasion de poser des questions. Voulez-vous essayer de vous partager le temps qui reste. M. Moore.

M. Moore (Wetaskiwin): Dans le cas d'Indiens qui forment un syndicat et qui achètent des terres sur le périmètre d'une réserve, des terres qui ne faisaient pas partie de la réserve jusque-là, est-ce que ces terres alors feraient partie de la réserve?

M. Owen: Je pense ici que nous touchons à la Loi sur les Indiens. Mais je pense qu'une fois qu'un Indien quitte la réserve et achète des terres, il est sur le même pied que les autres citoyens. Et la modification se rapporte dans ce Bill, simplement aux Indiens qui pratiquent l'agriculture sur des terres à l'intérieur de la réserve.

M. Moore (Wetaskiwin): Oui, je comprends, mais ils peuvent toujours habiter sur la réserve et acheter des terres hors de la réserve. Cela peut poser des problèmes.

M. Owen: Je trouve que, hors de la réserve, ils sont considérés comme des propriétaires ordinaires.

M. Moore (Wetaskiwin): Mais ils n'habitent pas en dehors de la réserve. Ils habitent à la réserve. Supposons maintenant, qu'il y ait 300 cultivateurs de bonne foi dans une bande, cela est très possible, est-ce qu'ils pourraient former, cent syndicats dont chacun emprunterait \$100,000, cela peut vous sembler ridicule, mais en théorie cela peut se produire?

M. Owen: Les trois premiers membres du syndicat ne peuvent emprunter que \$45,000.

M. Moore (Wetaskiwin): Ah, j'ai bien compris.

M. Owen: Mais il n'y a pas de limites sur le nombre de syndicats qui pourraient être formés dans une réserve en particulier.

M. Douglas: Monsieur le président, ceci ne serait-il pas soumis à l'approbation du ministère des Affaires indiennes?

M. Owen: Cela dépendrait des modalités de l'accord. Nous n'exigeons pas une garantie du ministère des Affaires indiennes pour chaque prêt individuel, mais on demande cette garantie pour les prêts en général, pourvu qu'ils soient conformes à certaines exigences.

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[Text]

Mr. Moore (Wetaskiwin): Might I ask this, then? If a syndicate—and I am not speaking of Indian farmers in this particular instance—purchases machinery and this machinery naturally deteriorates, does the corporation have any claim on the land on which this machinery is used?

Mr. Owen: By virtue of the note which they signed they become jointly and severally liable for their obligations to the corporation and, as such, we have a claim against any assets they may have as individuals.

Mr. Moore (Wetaskiwin): Yes, I realize that. Supposing these were Indian farmers. There would be a difference. There could be no claim against that land because it is reserve land. Is this correct?

Mr. Owen: That is right.

Mr. Moore (Wetaskiwin): Yes, that is all I wanted to know.

Mr. Owen: The mortgage which we might have against other land, or the claim we might have against other assets, in this instance would be replaced by a guarantee from the Minister of Indian Affairs.

Mr. Southam: I have a supplementary to that, Mr. Chairman, which follows from Mr. Danforth's line of questioning which was followed up by Mr. Moore. In other words, you have stated that theoretically you could have a large number of applications for loans under the farmers' syndicate legislation as far as an Indian reservation was concerned, and the fact that Indians themselves, individually, cannot give that land as collateral, it means that it falls on the Crown, in other words, the Department of Indian Affairs in setting up these agreements; it would fall back then on the federal treasury actually to be collateral for the provision of these loans. If you had an excess you would have to be very careful; in other words, if you had an excess of loans and they went "belly up", it would be quite a drain on the federal coffers through the Department of Indian Affairs. Is that not right?

Mr. Owen: Yes, this is so. I must point out, however, that the bulk of loans made under this particular Bill are for the purchase of machinery. In fact, we could, or the Minister of Indian Affairs could take security against that machinery, as distinct from the land itself. Only certain parts of the loan would be directed towards actual real estate. If this loan went bad and the Minister of Indian Affairs had to make good on his guarantee, then these physical assets would be available

[Interpretation]

M. Moore (Wetaskiwin): Alors, puis-je vous demander si un syndicat, et je ne parle pas des cultivateurs indiens en ce moment, achète de la machinerie qui se détériore naturellement à la longue, est-ce qu'on a des droits sur la terre sur laquelle cette machinerie a été utilisée?

M. Owen: Non, les syndicats deviennent responsables de leurs obligations.

M. Moore (Wetaskiwin): Supposons alors qu'il s'agit de cultivateurs indiens, il y aurait une différence, on ne pourrait pas prendre la terre parce qu'il s'agit d'une réserve, n'est-ce pas?

M. Owen: C'est exact.

M. Moore (Wetaskiwin): C'est tout ce que je veux savoir.

M. Owen: L'hypothèque que nous pourrions avoir sur d'autres terres ou les droits que nous aurions sur d'autres biens seraient garantis par le ministre des Affaires indiennes.

M. Southam: Monsieur, sur ce que viennent de dire M. Moore et M. Danforth, je pense que nous recevrons beaucoup de demandes en vertu de la Loi sur les crédits accordés aux syndicats de machines agricoles pour les Indiens. Alors, le ministère des Affaires indiennes, en établissant ces accords, devra s'en remettre au Trésor public pour sa caution. Cela représenterait un drain assez considérable sur le Trésor public.

M. Owen: C'est vrai. Je vous ferai remarquer cependant que, pour la plus grande partie des prêts, en vertu de ce projet de loi, sont consentis pour l'achat de machinerie et nous pourrions, ou le ministre des Affaires indiennes pourrait prendre des garanties contre cette machine, sans compter la terre elle-même. Si le prêt n'était pas remboursé et si le ministre des Affaires indiennes devait rembourser pour le prêt, alors les biens physiques pourraient être transférés à un autre

[Texte]

for transfer to some other farmer on that reserve, or to another syndicate, or to another group of farmers, to produce the revenue from them, because with every liability there are assets to counteract the liability.

The Chairman: I recognize Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I do not like to beat a point to death, but I have five Indian reserves in my riding and I am thinking of the terminology referring to "band" and the definition of "Indian". When we discussed the Farm Credit Act, I was concerned enough about this that I looked up the Indian Act and I talked to Len Marchand. The Minister, if you recall, had to repeat over and over just what the intent was of the particular clauses of the Bill; in fact, he brought in an amendment finally. I am concerned here about definitions and terminology. If I have to go out to these reserves and explain the intent of some of these loans, and explain what "band" means and who is going to get it—particularly I think it might refer to farmers who live adjacent to reserves even more than Indians—then I wonder if the Department in drafting these things might not think of another term apart from "band" that means the same thing. It is confusing here; this is what I am referring to.

Mr. Owen: I might say, first, that our own staff will be going on the reserves and explaining in the best way we can, how credit under this Act and the other one can be used by them. You may appreciate that we always could have made loans to Indians under the Farm Machinery Syndicates Credit Act before this amendment came through at all, providing it was for machinery on which we could get a mortgage. We are now going to go in there to explain. Certainly we can make it much easier to understand in our literature.

I would just like to repeat that what we have here is referring only to a provision of a guarantee by the Minister of Indian Affairs so that those Indians who are farming on reserves will be able to borrow in the same way as other people, so that the Minister of Indian Affairs can give us a guarantee in lieu of a mortgage which we would not otherwise be able to obtain.

Mr. Thomson (Battleford-Kindersley): Thank you. Mr. Chairman, I think I understand the intent now and what is involved, but it took

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me quite a while. I thank the gentleman. I understood him to say that if I have any troubles, he is going to help me.

[Interprétation]

cultivateur ou à un autre groupe de cultivateurs ou à un syndicat qui tirerait un revenu de ces biens, car, dans chaque passif, il y a un actif pour le protéger.

Le président: Monsieur Thompson.

M. Thomson (Battleford-Kindersley): Monsieur le président, je ne veux pas trop insister, mais j'ai cinq réserves indiennes dans mon comté et je m'intéresse à la terminologie, les bandes, les réserves, etc. J'ai parlé au ministre. Je me pose des questions au sujet des définitions. Et si je dois aller dans les réserves et expliquer l'objet de ces prêts, j'aurais peut-être affaire plus aux cultivateurs qui habitent près des réserves qu'aux Indiens eux-mêmes. Je me demande, lorsque le ministre rédigera la loi, s'il ne pourrait pas employer un autre mot que le mot « bande ».

M. Owen: Notre personnel va se rendre sur les réserves, essayer d'expliquer ces choses, au meilleur de notre connaissance, et de faire comprendre aux Indiens comment ils peuvent profiter de ces prêts. Nous aurions pu faire des prêts aux Indiens avant l'adoption de cette loi à condition que ce soit pour des machines sur lesquelles nous aurions pu prendre une hypothèque. Nous pouvons certainement, dans notre documentation, employer des termes beaucoup plus faciles à comprendre.

Mais, je répète que, ce que nous avons devant nous se rapporte seulement à une disposition visant une garantie du ministre des Affaires indiennes afin que les cultivateurs qui habitent dans les réserves puissent emprunter comme tout le monde; et le ministre des Affaires indiennes nous donne une garantie en remplacement d'une hypothèque.

M. Thomson (Battleford-Kindersley): Je comprends ce à quoi on veut en venir, mais j'ai eu de la peine à comprendre, et je remercie le fonctionnaire qui vient de m'assurer qu'il m'aidera, si j'ai besoin de renseignements.

[Text]

Mr. Owen: That depends on the kind of troubles.

Mr. Lind: Mr. Owen, in the process of the syndicate, if they do any building on this property and acquire materials, what guarantee can the suppliers of these materials get from this Indian band syndicate?

Mr. Owen: Do you mean what guarantee can we provide to the suppliers of material that they will be paid?

Mr. Whicher: Mr. Chairman, there is a conflict of interest here. I do not think that question is in order.

Mr. Owen: Is it your wish, Mr. Chairman, that we do not answer?

The Chairman: No, I think the question should be answered.

Mr. Owen: I could say that our primary concern is for the borrower but we have to recognize that in all our operations—not only here, but everywhere—we have to ensure that the funds go in the right direction and are used properly and we, in fact, disburse the funds in payment of suppliers. We do not just hand the money over to the borrower.

Mr. Lind: You take power of attorney and disburse the funds.

Mr. Owen: We would vary it depending upon circumstances. Normally we would get a payment order from the borrower and issue a cheque payable jointly to the borrower and to the supplier.

Mr. Lind: Pardon me, Mr. Chairman. May I follow this one step further? To whom do you mail the cheque? This has also been a problem.

Mr. Owen: When we are dealing through a solicitor, we mail it to the solicitor. In other instances we actually have our local man deliver it to be sure that the transaction takes place at that time. In some cases we would deliver it to the borrower and in some cases to the supplier. All of these things depend upon the circumstances of the individual loan.

Mr. Lind: May I follow that question further, since you brought in the matter of solicitors. We have heard in the House of Commons in the last few days about some rather exorbitant fees that are charged by solicitors in cases. So they receive a set fee through the Farm Credit Corporation?

[Interpretation]

M. Owen: Cela dépend des questions.

M. Lind: Si le syndicat construit des édifices et acquiert des nouvelles machines, quelles garanties offrez-vous aux fournisseurs d'un syndicat de bande indienne?

M. Owen: Vous voulez dire, quelle garantie pouvons-nous fournir aux fournisseurs des matériaux?

M. Wicher: Je ne pense pas que cette question soit recevable. Il y a conflit d'intérêts.

M. Owen: Est-ce votre désir qu'on ne réponde pas à la question, monsieur le président?

Le président: Je crois que l'on devrait répondre à la question.

M. Owen: Notre premier souci est l'emprunteur, mais nous reconnaissons que dans toutes nos opérations, dans toute notre activité, non seulement ici, mais partout, nous devons voir à ce que les fonds soient bien utilisés et nous ne donnons pas l'argent aux emprunteurs, nous payons les fournisseurs.

M. Lind: Vous prenez une procuration et distribuez les fonds?

M. Owen: Cela varie selon les circonstances. Mais normalement, nous obtenons un ordre de payer de l'emprunteur et nous émettons un chèque payable conjointement à l'emprunteur et au fournisseur.

M. Lind: M. le président, à qui adresse-t-on le chèque?

M. Owen: Lorsque nous passons par un avocat, nous l'envoyons à l'avocat, mais si nous avons un représentant local qui s'assure que la transaction se fasse et dans certains cas, nous envoyons la somme à l'emprunteur et dans d'autres cas au fournisseur. Toutes ces choses-là dépendent des circonstances de la transaction.

M. Lind: Puisque vous avez parlé d'avocat, nous avons entendu pendant quelques jours à la Chambre des communes que les avocats sont exorbitants. Reçoivent-ils des honoraires de la Société de crédit agricole.

[Texte]

Mr. Owen: I must point out that part of the legal work with respect to our lending is the responsibility of the borrower, and he engages a solicitor of his choice to do that and it is based on the arrangements between himself and the solicitor. That part of the work which is involved in providing us with a valid mortgage against the property is tabled by us, but we deduct it from the loan to the farmer and we set a fee which is very substantially lower than the normal fee charged for this type of transaction. In this way, by having one solicitor handle a significant amount of the work, we are able to set a fee which is substantially lower than the normal bar tariff and we save that cost to the borrower.

Mr. Lind: Yes. I have one further question on this, Mr. Chairman. Are there not other charges that you allow the solicitor to make because he reduces that fee?

Mr. Owen: Our fee covers his work in placing that mortgage. He must also pay disbursements, such as the cost of registration of documents, and this sort of thing. Aside from the required disbursements and the fee for the work, we allow no other charge as far as our part of the work is concerned. What very often happens is that the farmer will engage the same solicitor to do his part of the work—for example to handle the transaction in the purchase of land—and the solicitor has a separate account for that part of the work which is his responsibility, and these are often confused. I must say, however, that at the moment we are talking about operations under the Farm Credit Act as distinct from Bill C-112.

Mr. Lind: As distinct from Bill C-112.

Mr. Owen: At the moment we have never taken land mortgages under the Farm Machinery Syndicates Credit Act. We may be taking some and we may not. The fact that we are actually lending...

Mr. Lind: You just take the loans under this Act. Is this right?

Mr. Owen: Yes, and sometimes a chattel mortgage.

Mr. Lind: A chattel mortgage. That is a mortgage, is it not? It is registered...

Mr. Owen: Yes, we occasionally take a chattel mortgage, in which case the syndicate just provides us with a certificate from a solicitor of their choice and their arrangements.

[Interprétation]

M. Owen: Je dois vous faire remarquer qu'une partie du travail juridique par rapport à nos prêts est la responsabilité de l'emprunteur, il choisit son propre avocat, il fait ses propres arrangements avec l'avocat. Cette partie du travail qui concerne l'hypothèque est payée par le ministère et nous exigeons des honoraires bien moins élevés que ce que l'on demande normalement pour ce genre de transaction. Nous avons des avocats qui font beaucoup de travail pour nous et par conséquent, leurs honoraires sont de beaucoup inférieurs à ce que l'on demande ordinairement.

M. Lind: Est-ce qu'il n'y a pas d'autres frais qui sont payés à l'avocat étant donné que ce dernier demande des honoraires moins élevés?

M. Owen: L'avocat demande ses honoraires ainsi que les frais qu'il doit engager pour l'enregistrement de l'hypothèque des autres documents. Ce qui se produit souvent, c'est que le cultivateur engage le même avocat pour ses propres besoins, c'est-à-dire pour dresser l'acte d'achat de la terre et pour lequel l'avocat soumet à l'agriculteur une note de frais séparée. On se méprend souvent là-dessus. Nous parlons maintenant de la Loi sur la Société du crédit agricole, et non du projet de loi C-112.

M. Lind: Par opposition au bill C-112.

M. Owen: En ce moment, nous n'avons jamais pris d'hypothèques en vertu de la Loi sur le crédit accordé aux syndicats de machines agricoles. Le fait que nous prêtons actuellement...

M. Lind: Vous ne prêtez qu'en vertu de cette loi-ci, n'est-ce pas?

M. Owen: Oui, et parfois, il s'agit d'une hypothèque sur les biens immobiliers.

M. Lind: Une hypothèque sur les biens immobiliers, c'est une hypothèque, n'est-ce pas?

M. Owen: Oui, nous prenons des hypothèques sur les biens mobiliers et l'emprunteur peut engager son propre avocat.

[Text]

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Mr. Lind: Do you say the solicitor fees for searches to see that there are no other liens or judgments against this?

Mr. Owen: With respect to machinery?

Mr. Lind: With respect to chattel machinery and...

Mr. Owen: That is entirely an arrangement between the syndicate and their solicitor.

Mr. Lind: It is entirely their own.

Mr. Owen: Yes.

The Chairman: I apologize to the questioners whom I have not been able to recognize. I will keep your names on my list and I will recognize you first at the next meeting of the Committee.

Clause 3 has been stood.

The meeting is adjourned to the call of the Chair.

[Interpretation]

M. Lind: Est-ce que vous faites enquête pour savoir s'il n'y a pas de droit sur ces machineries?

M. Owen: Vis-à-vis de la machinerie?

M. Lind: Vis-à-vis du gage de la machinerie.

M. Owen: Il s'agit là de dispositions prises entre le syndicat et son avocat.

M. Lind: Cela dépend d'eux.

M. Owen: Oui.

Le président: Je m'excuse auprès des membres qui ont voulu poser des questions. Je vous donnerai la parole lors de la prochaine réunion.

L'article 3 est réservé.

La séance est levée.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE
ON

COMITÉ PERMANENT
DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 20

TUESDAY, FEBRUARY 18, 1969

LE MARDI 18 FÉVRIER 1969

Respecting

Concernant

BILL C-112,

Le BILL C-112,

An Act to amend the Farm Machinery
Syndicates Credit Act.

Loi modifiant la Loi sur le crédit accordé
aux syndicats de machines agricoles.

Appearing:

A comparu:

Minister of Agriculture

Hon. H. A. Olson

Ministre de l'Agriculture

WITNESS—TÉMOIN

(*See Minutes of Proceedings*)

(*Voir les procès-verbaux*)

STANDING COMMITTEE ON
AGRICULTURE

COMITÉ PERMANENT DE
L'AGRICULTURE

Chairman
Vice-Chairman

Mr. Bruce S. Beer
M. Marcel Lessard
(*Lac-Saint-Jean*)

Président
Vice-président

and Messrs.

et MM.

Barrett,
Clermont,
Cobbe,
Danforth,
Douglas,
¹Downey,
Foster,
Gauthier,
Gleave,
Howard (*Okanagan
Boundary*),

Korchinski,
Lambert (*Bellechasse*),
La Salle,
LeBlanc (*Rimouski*),
Lefebvre,
Lind,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),
Peters,
Pringle,

Roy (*Laval*),
Southam,
²Stewart (*Okanagan-Kootenay*),
Thomson (*Battleford-
Kindersley*),
³Whelan,
Whicher,
Yanaklis—(30).

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

¹ Replaced Mr. Horner on February 17, 1969.

² Replaced Mr. Smith (*Northumberland-
Miramichi*) on February 17, 1969.

³ Replaced Mr. St-Pierre on February 17, 1969.

¹ Remplace M. Horner, le 17 février 1969.

² Remplace M. Smith (*Northumberland-
Miramichi*), le 17 février 1969.

³ Remplace M. St-Pierre, le 17 février 1969.

[Text]

[Traduction]

MINUTES OF PROCEEDINGS

Tuesday, February 18, 1969.
(23)

The Standing Committee on Agriculture met at 9:40 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Clermont, Cobbe, Danforth, Douglas, Downey, Gleave, Howard (*Okanagan Boundary*), Korchinski, LeBlanc (*Rimouski*), Lessard (*Lac-Saint-Jean*), Moore (*Wetaskiwin*), Muir (*Lisgar*), Peters, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*), Whelan, Whicher, Yanakis—(22).

Appearing: The Honourable H. A. Olson, Minister of Agriculture.

Witness: Mr. G. Owen, Chairman, Farm Credit Corporation.

The Committee resumed consideration of Clause 2 of Bill C-112, An Act to amend the Farm Machinery Syndicates Credit Act.

The Minister and Mr. Owen answered questions, in the course of which the following two documents, each headed "Farm Credit Corporation, Farm Machinery Syndicates Credit Act", were distributed to the members:

General Syndicate Agreement;

Sample Local Syndicate Agreement.

The Committee resumed consideration of Clause 3 and of the motion of amendment thereto moved by Mr. Douglas at the previous meeting.

Mr. Gleave proposed that:

Whereas the amendment would involve the participation of the Indian Affairs Department, the Committee request representatives of the Indian Affairs Department to appear before the Committee.

After some discussion, by agreement the proposal was referred to the Sub-Committee on Agenda and Procedure.

With questioning continuing, Clause 3 and the motion of amendment thereto were allowed to stand.

At 11:49 a.m., the Committee adjourned to the call of the Chair.

*Le secrétaire du Comité,
Michael A. Measures,
Clerk of the Committee.*

PROCÈS-VERBAUX

Mardi 18 février 1969.
(23)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 40, sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Clermont, Cobbe, Danforth, Douglas, Downey, Gleave, Howard (*Okanagan Boundary*), Korchinski, LeBlanc (*Rimouski*), Lessard (*Lac-Saint-Jean*), Moore (*Wetaskiwin*), Muir (*Lisgar*), Peters, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*), Whelan, Whicher, Yanakis — (22).

A comparu: L'honorable H. A. Olson, ministre de l'agriculture.

Témoin: M. G. Owen, président de la Société du crédit agricole.

Le Comité reprend l'examen de l'article 2 du Bill C-112—Loi modifiant la Loi sur le crédit accordé aux syndicats de machines agricoles.

Le ministre et M. Owen répondent à des questions, et les deux documents suivants, tous deux intitulés «Société du crédit agricole, Loi sur le crédit accordé aux syndicats de machines agricoles», sont distribués aux membres du Comité:

Convention générale du syndicat;

Modèle de convention particulière.

Le Comité reprend l'étude de l'article 3 et de la modification à cet article proposée par M. Douglas lors de la séance précédente.

M. Gleave propose que:

Attendu que la modification supposerait la participation du ministère des Affaires indiennes, le Comité demande que des représentants du ministère des Affaires indiennes comparaissent devant lui.

Après débat, il est convenu de renvoyer la proposition au sous-comité du programme et de la procédure.

L'interrogatoire se poursuivant, l'article 3 et la modification à cet article proposée sont réservés.

A 11 h. 49 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

[Texte]

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday, February 18, 1969.

• 0940

The Chairman: Gentlemen, please come to order. I see a quorum.

When we last met we stood Clause 3, Clause 2 also having been stood. Is it the wish of the Committee that we direct our attention to Clause 2 and then resume consideration of Clause 3 after we have completed Clause 2? This is simply for the purpose of proceeding with the Bill in an orderly manner. Is this agreed?

Some hon. Members: Agreed.

Mr. Gleave: We have an amendment before us to Clause 3 and now are we going to proceed with Clause 2. Are you setting the amendment aside also?

The Chairman: The amendment is to Clause 3; Clause 3 has been stood which also stands consideration of the amendment. If the Committee chooses we can consider Clause 2 and deal with the amendment when we come back on Clause 3, which, I hope, will be very shortly. Is this the wish of the Committee?

Some hon. Members: Agreed.

The Chairman: Gentlemen, I direct your attention to Clause 2. When we rose last week I was prepared to recognize Mr. Gleave, Mr. Korchinski and Mr. Douglas, whose questions may apply on Clause 3. Am I correct?

Mr. Gleave: That is right.

The Chairman: I recognize Mr. Danforth, on Clause 2, and he will be followed by Mr. Douglas.

Mr. Danforth: Mr. Chairman, I would like some clarification on Clause 2, especially on (c) (iii) which states:

(iii) an association formed by an agreement in writing, approved by the Corporation, between individuals, farming corporations or any combination thereof . . .

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Mardi 18 février 1969.

Le président: Messieurs, à l'ordre! Nous avons quorum.

Lors de la dernière réunion, nous avons réservé l'article 3, l'article 2 avait aussi été réservé. Est-ce que le comité désire que nous étudions l'article 2 et ensuite, que nous reprenions l'étude de l'article 3 après que nous aurons terminé l'étude de l'article 2, ceci simplement pour procéder dans l'ordre. Êtes-vous d'accord?

Des voix: D'accord.

M. Gleave: Nous avons un amendement sur l'article 3. Nous avons un amendement au sujet de l'article 3. Alors, mettons-nous aussi l'amendement de côté.

Le président: L'amendement se rapporte à l'article 3. L'article 3 est réservé; donc, nous réservons aussi l'étude de l'amendement. Si le Comité le désire, nous pouvons étudier l'article 2, et étudier la modification lorsque nous reviendrons à l'article 3, c'est-à-dire, je l'espère, sous peu. Est-ce là le désir du Comité?

Des voix: D'accord.

Le président: Messieurs, j'attire votre attention sur l'article 2. Lorsque nous avons levé la séance la semaine dernière, j'allais donner la parole à M. Gleave, puis à M. Korchinski et à M. Douglas, dont les questions portaient peut-être aussi sur l'article 3. Est-ce exact?

M. Gleave: Oui.

Le président: Je donne la parole à M. Danforth, sur l'article 2. Ce sera ensuite le tour de M. Douglas.

M. Danforth: Monsieur le président, j'aimerais que l'on m'explique certains détails de l'article 2, surtout l'alinéa c) (iii):

(iii) une association constituée par un accord écrit, approuvé par la Société, entre des particuliers, des corporations d'agriculture ou un nombre quelconque des uns et des autres, lorsque trois ou plus de ces particuliers ou des actionnaires de ces corporations agricoles s'adonnent à l'agriculture et que la principale occupation de la majorité d'entre eux est l'agriculture.

[Text]

It goes on to describe the qualifications of the individuals.

May I ask whether this is left completely to the discretion of the corporation?

Hon. H. A. Olson (Minister of Agriculture): The purpose of it, Mr. Danforth, is to broaden the legal entity that can be deemed to be an association, or a farm syndicate, so that they do not have to set up special associations or syndicates for the purposes of this act. If they already have an association then that legal entity will be sufficient for the purpose of being interpreted as a farm syndicate, as is pointed out at the top of that paragraph.

Mr. Danforth: I am quite aware of that, Mr. Chairman, but my point is that, under the provisions as set out here there is no basic qualification other than that the principal occupation of the major number of the syndicate be that of farming.

Is it not possible, as this act is now set up, with the amendment designed to broaden the scope of the act, to use the Minister's own words, for an individual, for example—and I am using an exaggerated one—who is perhaps engaged in the brewing industry and has a tremendous amount of capital at his disposal to ally himself with a small farmer, or a small rancher, or a small garden farmer, together with another farmer whose part-time activity is a small feedmill, and by so doing obtain the loans under this syndicate act? Although he, in his principal occupation, is not farming, would not the fact of the two men with whom he has allied himself give this syndicate the classification as a farm?

Mr. Olson: The agreement must be approved by the Farm Credit Corporation. I will ask Mr. Owen to expand on this, but my understanding is that that may be possible but that anyone who is not principally occupied in farming would be a minority shareholder.

The Chairman: Mr. Owen?

Mr. G. Owen (Chairman, Farm Credit Corporation): I would say that that is correct. The majority of the members of the syndicate must be principally occupied in farming. Others may be members of the syndicate, providing they are engaged in farming even though it may not be their principal occupation.

• 0945

One of the purposes of this is that very often the two or three persons principally occupied in farming may ally themselves with a neighbour who has a small farm, one not large enough on which to make a living, and who has some other occupation, but who can become a member of the syndicate along with them

[Interpretation]

on énumère ensuite les conditions que doivent remplir les particuliers.

Est-ce qu'on laisse cela entièrement à la discrétion de la société?

M. Olson (ministre de l'Agriculture): Le but, monsieur Danforth, c'est d'élargir les unités qui peuvent être considérées comme une association ou un syndicat agricole pour qu'elles n'aient pas à établir une association ou un syndicat spécial aux fins de la Loi. Si elles ont déjà une association, alors cette unité sera considérée comme un syndicat agricole, comme on le souligne au début de l'alinéa.

M. Danforth: Je sais cela, monsieur le président, mais je soutiens que les présentes dispositions ne prévoient pas d'autre condition que l'occupation du syndicat, qui doit être principalement l'agriculture.

N'est-il pas possible, d'après la Loi actuelle, et étant donné que la modification doit augmenter la portée de la Loi, pour employer l'expression-même du ministre, qu'une personne qui s'intéresse à l'industrie de la bière et qui aurait beaucoup de capitaux en mains, je prends ici un exemple extrême, ne serait-il pas possible à cette personne de s'associer à un cultivateur, au propriétaire d'un ranch ou à un horticulteur, et à un autre cultivateur dont l'occupation secondaire serait la minoterie, et d'obtenir ainsi les prêts prévus par la Loi. Même si son occupation principale n'est pas l'agriculture son association avec les deux autres ne constituerait-elle pas un syndicat agricole?

M. Olson: L'accord doit être approuvé par la Société du Crédit agricole. Je demanderai à M. Owen de vous donner des détails. Mais il est probable qu'une personne dont l'occupation principale n'est pas l'agriculture sera en minorité dans l'association.

Le président: Monsieur Owen?

M. Owen (Président de la Société du Crédit agricole): C'est exact, à mon avis. La majorité des membres du syndicat doivent s'occuper principalement d'agriculture. Les autres peuvent faire partie du syndicat à condition qu'ils s'occupent d'agriculture, même si ce n'est pas leur occupation principale.

Bien souvent, deux ou trois personnes, dont l'occupation principale est l'agriculture, s'associent à un voisin qui aurait une exploitation trop petite pour être rentable mais qui exercerait une autre profession; ce dernier pourra devenir membre du syndicat et éventuellement utiliser leurs machines pour faire leurs

[Texte]

and can in fact, in some cases, run their machinery for them and at the same time use it on his own farm. This does allow people who are in farming, but not as their principal occupation, to come into the syndicate providing the majority are farmers.

Mr. Moore (Wetaskiwin): May I ask a short supplementary question on that, Mr. Chairman?

The Chairman: Mr. Moore (Wetaskiwin)?

Mr. Moore (Wetaskiwin): Why let these people in at all? I say that for this reason: Suppose a well-to-do businessman wants to enter into this sort of arrangement for income tax purposes. Do you feel that we should have legislation that allows this to happen?

Mr. Owen: I should point out that this is not actually something new introduced by this bill; this provision was in the original Act.

Mr. Moore (Wetaskiwin): I am aware of that; and I did not like it any better then than I do now.

Mr. Owen: Within the operations of the syndicate I do not think they would be able to do very much that would have much effect on their income tax or their estate tax. I think, though, we must recognize that sometimes these fellows who may be businessmen and are farming as well may be very valuable members of the syndicate because of their business ability and the assistance they can give to the other members of the syndicate in setting it up and making sure that it operates on a businesslike basis. They are farming and their support of these men coming in may assist *bona fide* farmers to get the machinery they need under this bill.

Mr. Moore (Wetaskiwin): I agree that this may be so, but the other may also be true. This is what bothers me.

Mr. Owen: So far as we can tell, within the operations of the Act since 1965 there have been no instances, that I am aware of, in which participation by someone not principally occupied in farming has been a significant factor.

Mr. Whicher: I have a supplementary, Mr. Chairman. Would Canada Packers be able to borrow money under this deal?

Mr. Owen: No.

Mr. Whicher: Why not?

Mr. Owen: To begin with, Canada Packers would be neither an individual engaged in farming nor a farming corporation whose principal occupation is farming.

Mr. Whicher: What could happen if they set up a subsidiary for farming?

[Interprétation]

travaux et les siens en même temps cela permet aux gens dont l'agriculture n'est pas la principale occupation de se joindre à un syndicat constitué en majorité d'agriculteurs.

M. Moore (Wetaskiwin): Une brève question supplémentaire, monsieur le président.

Le président: Monsieur Moore (Wetaskiwin)?

M. Moore (Wetaskiwin): Pourquoi admettre ces gens-là? Supposons qu'un homme d'affaires prospère veuille former ce genre d'association pour les fins de l'impôt. La Loi devrait-elle le permettre?

M. Owen: Remarquez que la Loi n'apporte rien de nouveau. Cette disposition figurait dans la Loi originale.

M. Moore (Wetaskiwin): Je le sais; l'ancienne loi ne me plaisait guère plus que la nouvelle.

M. Owen: Je ne pense pas que ces personnes puissent de cette façon alléger leurs impôts sur le revenu ou sur leurs propriétés.

Nous devons reconnaître que parfois les personnes qui sont à la fois commerçants et agriculteurs peuvent être des membres très utiles au syndicat en raison de l'expérience qu'elles ont dans les affaires. Ces gens-là s'occupent d'agriculture et peuvent aider les agriculteurs de profession à obtenir les machines auxquelles ils ont droit en vertu du bill.

M. Moore (Wetaskiwin): Je l'admets, mais l'inverse peut être vrai. C'est ce dont j'ai peur.

M. Owen: Il semble que depuis la mise en vigueur de la Loi, en 1965, il n'y ait pas eu de cas où la participation des personnes dont l'occupation principale n'était pas l'agriculture ait joué de façon déterminante.

M. Whicher: J'ai une question supplémentaire, monsieur le président. Est-ce que *Canada Packers* pourrait emprunter de l'argent d'après la loi?

M. Owen: Non.

M. Whicher: Pourquoi pas?

M. Owen: D'abord, *Canada Packers* n'est ni une personne s'occupant d'agriculture, ni une société agricole pratiquant l'agriculture.

M. Whicher: Et s'ils s'adjoignaient une filiale agricole?

[Text]

Mr. Owen: The costs and trouble of setting up a subsidiary as a farming corporation are such that I do not think they could do it to begin with, to come within the definition of a farming corporation; and it would not be significant enough for them to do it anyway.

The Chairman: I recognize Mr. Gleave, on a supplementary.

Mr. Whelan: I have a correction, on a point of order. He said Canada Packers is not in the farming business. They are in the farming business in York Farms—a large farming business.

Mr. Owen: Excuse me, I did not believe I said that Canada Packers were not in the farming business.

Mr. Whelan: That is what I understood you to say.

Mr. Owen: What I intended to imply was that farming is not the principal occupation of Canada Packers.

The Chairman: Mr. Gleave, on a supplementary, and then I wish to return to the original questioner.

Mr. Gleave: I did not have a supplementary.

The Chairman: I am sorry. Mr. Muir, on a supplementary.

Mr. Muir (Lisgar): Would a feedmill operator who wished to join in a sort of integrated farming venture with a group of farmers who did qualify have to own land, as well?

Mr. Owen: The feedmill operator would have to be engaged in farming himself. There is no requirement that he actually own the land he is farming, but he must be actually engaged in farming himself.

Mr. Muir (Lisgar): Would it be possible for a group of farmers to take in a feedmill operator in this sort of a set up?

Mr. Owen: Providing the feedmill operator is farming.

Mr. Olson: Perhaps paragraph (iii) might solve some of the problems here. It states very clearly:

(iii) an association farmed by an agreement in writing . . .

—and, of course, that agreement has to be

. . . approved by the Corporation, between individuals, farming corporations . . .

● 0950

and then “farming corporations” are defined farther up as:

[Interpretation]

M. Owen: Les frais et les tracasseries ne justifieraient pas l'établissement d'une telle entreprise, s'il faut qu'ils s'en tiennent à la définition d'une société agricole. Cela ne les paierait pas.

Le président: Monsieur Gleave, une question supplémentaire?

M. Whelan: J'invoque le Règlement, j'ai une mise au point à faire. Vous dites que *Canada Packers* n'est pas dans l'agriculture. Elle l'est, à York Farms, et il s'agit d'une grosse exploitation agricole.

M. Owen: Je n'ai pas dit que *Canada Packers* ne s'occupait pas d'agriculture.

M. Whelan: C'est ce que j'ai cru comprendre.

M. Owen: Je voulais dire que l'agriculture n'est pas l'occupation principale de la société *Canada Packers*.

Le président: D'abord, la question supplémentaire de M. Gleave. Ensuite nous reviendrons à l'orateur précédent.

M. Gleave: Je n'ai pas de question supplémentaire.

Le président: Excusez-moi. Monsieur Muir, une question supplémentaire?

M. Muir (Lisgar): Un meunier qui voudrait faire partie d'une exploitation agricole intégrée, avec un groupe d'agriculteurs admissibles, devrait-il également avoir des terres?

M. Owen: Le meunier devrait lui aussi s'occuper d'agriculture. Il n'est pas nécessaire que la terre lui appartienne, mais il doit s'occuper lui-même d'agriculture.

M. Muir (Lisgar): Un groupe de cultivateurs peut-il faire entrer un meunier dans ce genre d'association?

M. Owen: Oui, si le meunier cultive la terre.

M. Olson: L'alinéa (iii) pourrait peut-être résoudre certains problèmes. Il dit clairement:

(iii) une association constituée par accord écrit . . .

évidemment, cet accord doit être . . .

. . . approuvé par la Société, entre des particuliers, des corporations d'agriculture . . .

les sociétés agricoles sont définies un peu plus loin:

[Texte]

“(c) “farm syndicate” means (ii) a farming corporation in which three or more shareholders are engaged in farming, the principal occupation of a majority of whom is farming, . . .

Therefore, no corporations other than farming corporations can be part of the syndicate under this definition.

When we get into feedmills, whether Canada Packers or anyone else, these are not farming corporations that would meet the definition of a farming corporation under the paragraph above.

Mr. Muir (Lisgar): No, but they could get in by paragraph (ii). If they were part of the farming corporation it could be easily done. They could be made part of the farming corporation.

Mr. Olson: They may there, if the shareholders were engaged in farming and the principal occupation of the majority of them was farming, and so on; but this is the only kind of corporation that can be a member of the syndicate under paragraph (iii). Therefore, their interest is quite a lot more diluted in the syndicate that would make application for the loan.

The Chairman: Mr. Danforth, you have a question.

Mr. Danforth: Thank you, Mr. Chairman. The answer I received leads me to believe that my first contention was right, that it is left strictly to the discretion of the Corporation—and I mean the departmental Corporation—whether or not on application the members are approved and qualify.

Mr. Olson: Yes, that is clear, Mr. Danforth, that the agreement of the association must be approved by FCC.

Mr. Danforth: Is it not a fact, then, that the degree of participation so far as the Corporation is concerned is not based on the actual amounts of money, or participation of either or all of the various applicants forming the syndicate, but is based on the qualifications of the syndicate itself?

Mr. Owen: The qualifications of the members of the syndicate.

Mr. Danforth: Yes, but my point, Mr. Chairman, is that so far as the Corporation is concerned, when three individuals have joined themselves by an agreement in writing the Corporation therefore is not directly interested in the participation in the shares of the syndicate. What I am trying to ascertain is whether one of three participants may own 80 per cent of the involved syndicate, with each of the other two being perhaps 10 per cent owners of the syndicate; is this not true?

[Interprétation]

c) «syndicat agricole» désigne

(ii) une corporation d'agriculture dont trois des actionnaires ou plus s'adonnent à l'agriculture, lorsque la principale occupation de la majorité d'entre eux est l'agriculture.

Par conséquent, aucune société, si elle n'est agricole, ne peut faire partie d'un syndicat selon cette définition. Quant aux minoteries, aux sociétés telles que *Canada Packers*, elles ne sont pas des sociétés agricoles au sens où on l'entend à l'alinéa ci-haut.

M. Muir (Lisgar): Non. Mais elles peuvent y adhérer en vertu de l'alinéa (ii). Si elles font partie d'un syndicat agricole, elles peuvent faire partie de cette association.

M. Olson: Elles le peuvent si les actionnaires s'occupent d'agriculture et si la majorité d'entre eux sont agriculteurs; c'est le seul genre de société qui peut faire partie du syndicat, selon l'alinéa (iii). Par conséquent, leur intérêt est quelque peu dilué au sein du syndicat.

Le président: Monsieur Danforth, avez-vous une question?

M. Danforth: Merci, monsieur le président. La réponse que j'ai reçue me porte à croire que ma première affirmation était exacte, qu'on laisse tout cela à la discrétion de la société, je parle de la société de la Couronne qui a approuvé les qualifications des membres du syndicat.

M. Olson: Oui, il est clair, monsieur Danforth, que l'association doit être approuvée par la Société.

M. Danforth: N'est-il pas vrai alors que le degré de participation, en ce qui concerne la société, n'est pas fondé sur les sommes d'argent engagées ou la participation des divers souscripteurs du syndicat, mais sur les qualifications du syndicat lui-même?

M. Owen: Les qualifications des membres du syndicat.

M. Danforth: Ce que je veux dire, monsieur le président, c'est que, pour autant que la Société soit concernée, quand trois personnes s'accordent par écrit, elle n'est dès lors plus directement intéressée à la participation des actionnaires dans le syndicat. Ce que j'essaie d'établir c'est qu'un participant peut détenir 80 p. 100 des actions du syndicat alors que les deux autres détiendraient chacun peut-être 10 p. 100. Est-ce vrai ou non?

[Text]

Mr. Owen: This is theoretically possible. One member could have a very significant interest and the others have relatively minor interests. I would say, however, that if we were dealing with an application from a syndicate where the vast majority of the interest in the operations of the syndicate itself were held by someone whose principal occupation was not farming, we would be unwilling, I think, if such a case should arise, to approve the loan for them.

Mr. Danforth: I have one more question on this, Mr. Chairman, and then I will pass. I am interested in this particular clause which says that as long as it is "approved by the Corporation", this association—in speaking of a syndicate—can be "between individuals, farming corporations or any combination thereof". Is it not true, then, that where you have a farm co-operative—as I understand this—any three or more members of the co-operative may themselves classify as a syndicate, thereby making each a participant, although they are members of a co-operative, as one type of syndicate?

Is it not also true that on the other side of the scale, perhaps as a joint venture, three co-operatives engaged in various aspects of farming may go together and qualify as a syndicate? Therefore, a co-operative can be either an individual or a group in the interpretation of the application for syndicates.

• 0955

Mr. Owen: There is no provision for three co-operative associations to form a syndicate. The co-operative farm association itself may be a syndicate. Clause 2 (c) (iii) to which you are referring provides for an agreement in writing between individuals or farming corporations, but it does not include co-operative associations in that Clause.

Mr. Danforth: A co-operative engaged in the farming business—suppose we have a co-operative of six farmers who are all engaged in the production of tomatoes or sweet corn and market through a common agency and, therefore, they are forming a co-operative. Suppose they want to join with a co-operative of six farmers whose principal production is sweet corn, and there are another six farmers whose total production is, perhaps, asparagus and they wish to purchase land and erect a cold storage plant. Could they not, therefore, be classified as a farm syndicate and meet all the qualifications as set out under the Act?

Mr. Owen: If they were formerly organized as a co-operative, they could be a syndicate as such. If the members as individuals wished to form a syndicate to have cold storage for asparagus, for example, they could do so as a syndicate.

Mr. Danforth: Yes, but I am just not clear about that. I am well aware that perhaps one farmer from

[Interpretation]

M. Owen: C'est théoriquement possible. Un des membres pourrait avoir des intérêts considérables tandis que les autres n'auraient que des parts relativement mineures. Je voudrais cependant ajouter qu'advenant une demande d'un syndicat dont les plus gros intérêts seraient détenus par quelqu'un dont l'occupation première ne serait pas l'agriculture, nous ne serions pas alors disposés à approuver le prêt.

M. Danforth: Une dernière question, monsieur le président. Je m'intéresse à cette clause particulière qui indique que, dès qu'elle est «approuvée par la société», cette association, en parlant du syndicat, peut être faite «entre particuliers, corporations agricoles, ou toute autre combinaison à l'avenant»

N'est-il alors pas vrai que lorsqu'on a une coopérative agricole, trois de ses membres ou plus peuvent se constituer d'eux-mêmes en syndicat et, par conséquent, devenir des participants, bien qu'ils soient membres d'une coopérative? N'est-il pas également vrai que, d'un autre côté, trois coopératives engagées dans des activités agricoles variées peuvent se réunir afin de former un syndicat? Par conséquent, une coopérative peut être envisagée soit sous forme individuelle, soit sous forme de groupe, selon la façon d'interpréter la demande d'organisation syndicale.

M. Owen: Il n'y a pas de dispositions particulières pour la constitution de trois coopératives en syndicat. La coopérative agricole peut être elle-même un syndicat. La clause à laquelle vous vous référez prévoit un accord écrit entre individus ou corporations agricoles, mais ne fait pas mention d'associations entre coopératives.

M. Danforth: Prenons l'exemple d'une coopérative agricole composée, disons, de six cultivateurs qui tous s'adonnent à la production de tomates ou de maïs, et écoulent leurs produits en commun. Ils forment donc une coopérative. Supposons qu'ils veuillent se joindre à une autre coopérative de six cultivateurs dont la production principale serait le maïs, et que six autres agriculteurs qui ne produiraient, par exemple, que des asperges soient désireux d'acquérir un terrain pour y installer un entrepôt frigorifique. Est-ce qu'on ne pourrait alors pas les classer comme syndicat agricole remplissant tout les conditions prévues par la loi?

M. Owen: S'ils étaient précédemment constitués en coopérative, ils peuvent former un syndicat. Si les membres souhaitaient, en tant qu'individus, former un syndicat pour la conservation frigorifique des asperges, par exemple, ils peuvent le faire en tant que syndicat.

M. Danforth: Ce n'est pas clair, à mon avis. Je sais très bien qu'un cultivateur dans chacun des types

[Texte]

each of the types of farming that I have indicated could go together to make the minimum three. My point is: are they not eligible under this Act, as three co-operatives, to form a syndicate?

Mr. Owen: No, three farm associations could not enter into a syndicate agreement in writing and be a syndicate, but the 18 people involved—all of the farmers involved—could enter into a syndicate agreement and borrow.

Mr. Danforth: Which would achieve the same end.

Mr. Owen: It would achieve the same end; that is right.

Mr. Danforth: Thank you, Mr. Chairman.

Mr. Chairman: Thank you, Mr. Danforth. I recognize Mr. Douglas.

Mr. Douglas: I was interested in this question of the age limit of 21. I just wondered if this had, in fact, been a factor in any applications or any refusal of applications. Have you had any applications of people under 21 that you have had to turn down as members of syndicates?

Mr. Owen: Not to my knowledge. It is possible that in dealing with his local officials somebody under 21 asked about borrowing, but not to my knowledge.

Mr. Douglas: Is there any provision for changing the membership of a syndicate? Suppose for instance, there are just three people in the syndicate and one of them dies—what happens?

Mr. Owen: There are arrangements within the general syndicate agreement which the farmers sign—I am just looking for a copy of that agreement. If one member of the syndicate should die, his heirs would have his rights within that syndicate. Now, they could negotiate a settlement with the remaining members of the syndicate or with some other farmer who might come in to take their place. This is all provided for—even a method settling disputes in the event there is a dispute concerning the man's equity in the syndicate.

Mr. Douglas: If a person just wished to leave the syndicate—if for instance, he wanted to quit farming—and he sold his farm or something like that, is there provision for that too?

Mr. Owen: Yes, provided of course, that he can come to terms with the other members of the syndicate, and if he wishes to get off his responsibility on the note he would have to satisfy us that somebody

[Interprétation]

d'agriculture que j'ai mentionnés pourrait s'associer aux autres pour former le minimum requis de trois membres. Mais voilà: peuvent-ils, aux termes de la présente loi, et en tant que trois coopératives, former un syndicat?

M. Owen: Non. Trois associations agricoles ne peuvent pas former un syndicat par accord écrit. Par contre, les 18 personnes en présence, tous les fermiers impliqués, pourraient le faire, puis emprunter.

M. Danforth: Ce qui revient au même.

M. Owen: Le résultat serait le même, c'est exact.

M. Danforth: Merci, monsieur le président.

Le président: Merci, monsieur Danforth. La parole est à M. Douglas.

M. Douglas: A propos de cette question d'âge limite de 21 ans, je suis curieux de savoir si cela a joué un rôle en matière de prêts. Avez-vous jamais reçu des demandes de personnes de moins de 21 ans que vous auriez refusées?

M. Owen: Non, pas à ce que je sache. Il est possible que dans leurs rapports avec des fonctionnaires locaux, des moins de 21 ans aient demandé des prêts; mais pas à ma connaissance.

M. Douglas: Y a-t-il des dispositions de prévues quant au changement de composition des membres d'un syndicat? Advenant le décès d'un des membres d'un syndicat qui n'en comporte que trois. Qu'arrive-t-il?

M. Owen: Il existe des dispositions dans l'accord syndical que signent les agriculteurs. Je suis justement en train d'en chercher la copie. Si l'un des membres d'un syndicat décède, les droits dont il disposait dans ledit syndicat vont à ses héritiers. Cela étant, ces derniers ont la possibilité de conclure un arrangement soit avec les membres restants du syndicat, soit avec tout autre agriculteur intéressé. Tout cela est prévu, même la façon de régler les éventuels litiges portant sur la participation du membre.

M. Douglas: Si un membre veut se retirer du syndicat, s'il veut par exemple abandonner l'agriculture, vendre sa ferme, ou quelque chose de semblable, est-ce que c'est également prévu?

M. Owen: Oui, bien sûr, pourvu qu'il puisse s'entendre avec les autres membres du syndicat et, s'il compte se décharger de ses responsabilités, qu'il nous donne l'assurance que son remplaçant endossera ses

[Text]

else was taking his place and taking over his responsibility, or that there were enough remaining members to satisfy us with respect to the repayment of the balance of the loan.

● 1000

Mr. Douglas: In other words, it could be done if everybody agreed.

Mr. Owen: Oh, yes.

Mr. Douglas: Thank you.

Mr. Southam: Mr. Chairman, may I ask a question supplementary to what was brought up here? Could we, as members of the Committee, have copies of this agreement form just for our own perusal?

Mr. Owen: Yes, I have a number of them here. I would like to mention that there are two forms of agreement. The first is what we call a general syndicate agreement which sets out the details of how they will manage their business generally, how they will get new members and how they will replace members as time goes on. Then there is—and I can give you a sample, but only a sample—a local working agreement that the farmers would make themselves to deal with their own particular aspects of it. I have ample copies here for everyone to be passed around. I am afraid we do not have any copies in French with us but I imagine we could get some sent over to us.

The Chairman: That completes your questioning, Mr. Southam?

Mr. Southam: Yes, it was just a supplementary.

The Chairman: I recognize Mr. Clermont.

● 1001

M. Clermont: Monsieur le président, la loi actuelle oblige chacun des membres d'un syndicat à cultiver indépendamment l'un de l'autre. Les modifications qui sont contenues dans le bill C-112 permettraient à des membres d'un syndicat, même s'ils ne cultivent pas indépendamment, d'obtenir un prêt. Est-ce à dire, monsieur le président que dans un cas où le père et deux de ses fils exploitent une ferme, ils peuvent être considérés comme membres d'un syndicat?

● 1002

Mr. Owen: Yes, this is possible. Originally it was required that they all be farming independently. However, we found that once they started sharing machinery they carried the sharing arrangements into further aspects of their operations to the point that they were not farming independently; therefore, a

[Interpretation]

responsabilités, ou qu'il reste assez de membres pour nous garantir le remboursement du solde du prêt.

M. Douglas: Autrement dit, c'est possible à condition que tout le monde soit d'accord.

M. Owen: Exactement.

M. Douglas: Merci.

M. Southam: Monsieur le président, puis-je poser une question supplémentaire à ce propos? En tant que membres du Comité, pourrions-nous avoir des copies de cette entente?

M. Owen: Oui, j'en ai ici un certain nombre. Je dois vous dire qu'il y a deux types de conventions. D'abord, il y a ce qu'on pourrait appeler un accord syndical général, où l'on expose les détails de la gestion des affaires, la façon de recruter ou de remplacer des membres, etc. Il y a ensuite le contrat local de travail, dont j'ai ici un grand nombre d'exemplaires que je pourrai distribuer à tout le monde. J'ai bien peur que nous n'ayons pas apporté d'exemplaires français. Est-ce qu'on pourrait en faire venir.

Le président: C'est tout, monsieur Southam?

M. Southam: Oui, monsieur.

Le président: M. Clermont a la parole.

Mr. Clermont: Mr. Chairman, the present Act compels each member of a syndicate to form independently of one another. The amendments in Bill C-112 would enable members of syndicates, even if they do not farm independently, to obtain a loan. Does this mean, Mr. Chairman, that in a case where a farm is operated by a farmer and his two sons, they could be considered as members of a syndicate?

M. Owen: Oui, cela est possible. A l'origine, il était nécessaire qu'ils cultivent séparément mais quand on s'est aperçu qu'ils commençaient à partager leurs machines agricoles, ce partage a été beaucoup plus loin dans leur exploitation et on a considéré qu'ils ne faisaient plus de la culture d'une façon indépendante.

[Texte]

father and two sons, providing they are occupied in farming—and the majority of them are principally occupied in farming—could be the members of a syndicate or form a syndicate.

M. Clermont: Monsieur le président, même si le père et ses deux fils ne sont pas légalement associés?

● 1003

Mr. Owen: I am afraid I did not get that last word.

M. Clermont: Voici, monsieur le président, ma question: même si le père et ses deux fils ne sont pas légalement associés.

M. Owen: S'ils signent le contrat. If they sign the agreement required under this clause they can be a syndicate.

Mr. Clermont: Thank you.

The Chairman: Thank you, Mr. Clermont. I will now recognize Mr. Gleave.

Mr. Gleave: Mr. Chairman, what is the purpose of the changes in this Act? In including lands and buildings and other operations what, in the main, are you thinking of? Are you thinking of feed lots? What trend are you anticipating here in the changes to include these other types of operations?

Mr. Olson: Mr. Chairman, Mr. Owen can give details of some of the kinds of applications or of the discussions involved in these applications where we think that the purposes need to be expanded to include these, but this was primarily designed for the purchase of farm machinery under a syndicate for co-operative use. However, there are other types of facilities such as buildings, for example, that can be used beneficially by a group of farmers; in other words, where they do not need separate buildings whether they are small processing plants packaging plants housing for seasonal labour, or a number of other types of buildings that can be more economically and beneficially used by a number of farmers rather than building separately.

● 1005

That is what we had in mind. There is not I suppose, any particular outstanding example, although Mr. Owen may be able to draw some to your attention, but we think that there are many cases where buildings and indeed the machinery that goes into these buildings, as opposed to field farm machinery, could be used beneficially by more than one farmer.

Mr. Owen: I could give some examples. I would suggest that storage for fruit and vegetables and

[Interprétation]

Autrement dit, un père et ses deux fils à condition qu'ils fassent de l'agriculture, la majorité d'entre eux s'occupe d'agriculture, pourraient devenir membres d'un syndicat ou en former un.

Mr. Clermont: Mr. Chairman, even if the father and his two sons are not legally partners?

M. Owen: Je crois que je n'ai pas très bien saisi le dernier mot.

Mr. Clermont: Mr. Chairman, my question is as follows: even if the father and the two sons are not legally partners.

Mr. Owen: If they sign the agreement. Si ils signent le contrat requis en vertu de cet article, ils peuvent être considérés comme un syndicat.

M. Clermont: Merci.

Le président: Merci, monsieur Clermont. Monsieur Gleave.

M. Gleave: Monsieur le président, quel est l'objet des modifications de ce projet de loi? C'est-à-dire en ce qui concerne le terrain, les bâtiments, etc, y compris les pâturages, dans l'ensemble, qu'est-ce que vous envisagez? Tenez-vous compte des pâturages? Quel genre de modifications envisagez-vous pour que les autres types d'exploitation soient introduits?

M. Olson: Monsieur le président, M. Owen peut vous donner quelques renseignements détaillés sur le genre d'application ou de discussion portant sur les opérations qui devraient être incluses. Par exemple, ce projet était surtout prévu pour acheter des machines agricoles pour des entreprises coopératives, mais bien sûr, il y a d'autres types d'installations comme par exemple, des bâtiments ou des immeubles qui peuvent être également utilisés par un groupe d'agriculteurs. Autrement dit, ils n'ont pas besoin de construire des installations séparées, des installations de traitement par exemple, des logements pour la main-d'œuvre saisonnière, etc. Ce que l'on envisage c'est que des bâtiments peuvent être utilement employés par un groupe conjoint d'agriculteurs.

Je ne vois pas d'exemple particulier de la chose mais malgré tout, nous pensons qu'il y a de nombreux cas où les bâtiments, et les machines comprises dans ces bâtiments par opposition aux machines agricoles pourraient être utiles à plus d'un fermier.

M. Owen: Je pourrais vous donner quelques exemples. Par exemple, les entrepôts de produits

[Text]

facilities for washing, grading and packaging products of various kinds are the types of applications for which we have had most requests. There are indications that farmers want this.

Mr. Gleave: Have you had requests from farmers, that you have had to turn down, or have you had representations from farm organizations to expand this so that they could use it in these fields?

Mr. Owen: Yes, we have. For example, we have had a group of potato producers who wished to grade and package their product. They needed a special building for this. While we could provide machinery, we could not provide the plant in which they would do this. We have had egg producers who wished to grade and market their product. There have been groups of farmers who wished to use this legislation to build housing for seasonal labour and provide decent accommodation so that they could get dependable seasonal help. They wanted proper accommodation for them and as each one of them could not do it alone they wanted to build as a group.

Mr. Gleave: The amounts were originally designed for farm machinery and I think the amounts that can be loaned are increased within this proposal. Is this right?

Mr. Olson: No, \$100,000 is still the maximum.

Mr. Gleave: Would this amount be sufficient for a group of farmers looking at a feed lot, say, to carry 500 head of cattle or for a plant? What you are doing here is moving fairly far afield from just a plain old combine. Are your amounts sufficient to encompass these types of projects.

Mr. Olson: Mr. Chairman, we cannot tell at this stage whether or not there will in fact be applications to build some kind of co-operative processing plant that would cost in excess of this amount of money, but I suggest that the \$100,000 will be a big help. If we start to get into amounts substantially beyond that we are moving into another area and there are the facilities of the Industrial Development Bank. I cannot give any assurance that we will never get an application for more than \$100,000, but I can say that there have been applications for this kind of plant that could in fact be financed within the limits that we have now.

[Interpretation]

alimentaires, de légumes, et les installations de lavage, de calibrage et d'emballage de différents produits vraisemblablement pourraient être couverts par ce programme. Il y a un certain nombre de choses qui ont été demandées par des groupes d'agriculteurs afin de pourvoir à des quartiers décentes pour la main-d'œuvre saisonnière.

M. Gleave: Est-ce que vous avez eu des demandes que vous avez dû repousser ou bien est-ce que vous avez cherché à aller plus loin?

M. Owen: Eh bien, oui, nous avons cherché à aller plus loin. Par exemple, nous avons un groupe de producteurs de pommes de terre qui voudraient calibrer, emballer leurs produits, ils ont donc besoin d'un bâtiment spécial pour cela, on ne pouvait pas leur fournir les machines, ni le bâtiment nécessaire. Nous avons eu des producteurs d'œufs qui devaient calibrer leurs produits. Il y avait des groupes d'agriculteurs qui voulaient se servir de cette mesure législative pour construire des bâtiments pour la main-d'œuvre saisonnière, afin qu'elle soit correctement logée. Ils voulaient que leur main-d'œuvre soit de bonne qualité, par conséquent, il fallait qu'elle soit correctement logée, donc ces agriculteurs voulaient la loger dans des bâtiments communs.

M. Gleave: Bon, les montants fixés avaient été prévus au départ uniquement pour des machines agricoles, je pense donc, qu'ils ont été augmentés maintenant, c'est-à-dire, que les sommes de prêts ont été augmentées en fonction des demandes faites.

M. Olson: Non, le maximum est toujours fixé à cent mille dollars.

M. Gleave: Est-ce que ces montants maximums suffiraient pour des groupes d'agriculteurs comme ceux dont nous parlons en ce moment, c'est-à-dire ceux qui gèrent des pâturages ou qui veulent construire des installations de traitement? En fait ce que vous avez imaginez ici, c'est d'aller un peu plus loin, vous ne vous occupez pas simplement des moissonneuses-batteuses ordinaires. Est-ce que les montants sont suffisants pour répondre à ces demandes?

M. Olson: Monsieur le président, on ne peut pas vous dire dès maintenant s'il y aura des demandes concernant la construction d'une usine de traitement, une usine qui coûterait plus cher que cette somme, nous ne pouvons pas le dire, mais déjà cent mille dollars, c'est un bon départ, et si on commence à traiter avec des sommes qui dépassent ce montant, il y aura toujours un recours possible auprès de la Banque de développement industriel. Je ne peux pas vous assurer que nous ne recevrons jamais de demande supérieure à cent mille dollars mais ce que je peux dire, c'est qu'il y a eu des demandes qui ont été faites pour ce genre d'entreprise qui pourrait être, en fait, financée à l'intérieur de ces limites.

[Texte]

Mr. Gleave: I do not know what would come in. I could see it to be fairly large. It seems to me that in a sense here you are turning the vertical integration upside down. That is, you are saying to the farmer that you will lend him money to move in stages past the actual farm operation. I do not know whether that was the intent of those who drew this or simply to give a group of farmers a little further aid to build a few buildings or to candle a few eggs. It depends on what the real objective is here. I do not know and that is what I am asking.

● 1010

Mr. Olson: As has been pointed out the intent was never to cover major processing plants. However, we think the amount of \$100,000 useful in making it as easy as possible for farmers to be competitive in following through.

I do not know whether or not we have turned vertical integration upside down. The whole purpose of the bill is to be as helpful as we can in providing the credit so that farmers can in fact make their operations as profitable and viable as possible.

Mr. Gleave: I would be very pleased to see somebody turn it upside down if the thinking of the department has gone that far. Have the farm organizations made any representations? Have you discussed it with them? You have some of those people on you advisory committee. But have you had any talks in depth with them on this matter?

Mr. Owen: We have not had representations directly from farmers' organizations. But we considered this matter at great length with the advisory committee prior to drafting the amendments to the legislation. And of course many of the members of the Advisory Committee are active members of farmers' organizations.

The Chairman: A supplementary Mr. Muir?

Mr. Muir: I am wondering if, in this type of agreement, a group of farmers who are in the cattle-feeding business could borrow money to put up their own feed mill to supply their operations.

Mr. Olson: The answer is yes. They would have to meet the conditions that are laid out, such as their principal occupation being farming, and they must have the agreement approved, and so on.

Mr. Muir (Lisgar): I understand. If they do not have a joint operation but are feeding cattle separately, could they do it?

[Interprétation]

M. Gleave: En fait, je ne sais pas ce qui risque de se passer, je pense que c'est suffisant, car, en fait, vous retournez l'intégration verticale à l'envers dans un certain sens, autrement dit, vous dites à un fermier que vous allez lui prêter de l'argent pour dépasser le stade de l'exploitation agricole pure, je ne sais pas si c'est ce que voulaient les auteurs de cette loi ou s'ils voulaient donner aux agriculteurs, à un groupe d'agriculteurs, la possibilité d'augmenter le potentiel de leur entreprise. On ne sait donc pas du tout quel est l'objectif réel que l'on recherche. Et je ne sais absolument pas ce que l'on veut, c'est pourquoi je vous demande des éclaircissements.

M. Olson: Eh bien, la portée de la loi a déjà été indiquée. Il ne s'agissait jamais de couvrir les dépenses de construction de grosses entreprises, malgré tout, il a été indiqué que cela pourrait servir, c'est-à-dire ce montant de cent mille dollars pourrait être utilisé pour permettre aux agriculteurs de rester compétitifs.

Je ne sais pas si on peut dire que c'est une intégration verticale renversé, je ne le sais pas, mais disons que nous avons cherché à être aussi utile que possible en fournissant aux fermiers le crédit dont ils pourraient avoir besoin pour que leurs exploitations soient aussi rentables que possible.

M. Gleave: Je serais très heureux qu'on la mette à l'envers si l'étude du ministère en est rendue à ce point. Est-ce que les organisations agricoles ont déjà soumis des demandes auprès du ministère? Est-ce que vous avez déjà reçu des demandes de leur part? Vous avez entendu leur point de vue, mais avez-vous discuté de la question à fond?

M. Owen: Nous n'avons pas reçu de demandes officielles de la part des organisations agricoles, mais nous avons beaucoup étudié la question au sein du comité consultatif avant que les amendements de la Loi ne soient rédigés. Et plusieurs des membres du conseil consultatif sont membres actifs d'organisations agricoles.

Le président: Monsieur Muir?

M. Muir (Lisgar): Je me demande si, dans ce genre de contrat, un groupe d'agriculteurs qui font de l'engraissement de bétail peuvent obtenir des prêts pour établir leur propre meunerie afin de pourvoir leurs exploitations.

M. Olson: Oui. Bien sûr, il faudra qu'ils répondent aux conditions stipulées c'est-à-dire que l'agriculture doit constituer leur principale activité, et recevoir l'autorisation.

M. Muir (Lisgar): Oui, je comprends très bien. Dans le cas où ils n'ont pas l'exploitation conjointe parce qu'ils nourrissent le bétail séparément, est-ce qu'ils pourraient en bénéficier.

[Text]

Mr. Olson: Yes, of course.

Mr. Muir (Lisgar): They could if they formed a corporation?

Mr. Olson: They would have to enter into some kind of co-operative, corporation or syndicate so that the legal entity is set out, and then meet the conditions of being principally occupied in farming. If they were using a feed mill for crushing, grinding, mixing, blending, or whatever else they needed for their operations, there would be no disqualification simply because they were feeding their animals separately.

Mr. Muir (Lisgar): The reason I ask this is because I think you will probably be getting an application from people I know who are interested in this type of thing.

Mr. Olson: Yes.

The Chairman: I recognize Mr. Korchinski.

Mr. Korchinski: Is there a certain type of book that you insist the farmer or the syndicate keep? Is there uniformity in the types of books that syndicates must keep? Or can individual syndicates keep their own kind?

Mr. Owen: Each individual syndicate keeps its own books of accounts. We do require them to have books of accounts, and to keep the financial affairs of the syndicate separate from the financial affairs of the individual members. But we do not impose a standard form of bookkeeping on syndicates.

Mr. Korchinski: Do you check into these books? Does the Corporation check these books? Do you only glance through them, or do you audit them in any way?

Mr. Owen: No, we do not audit them. We can look into them if we wish, but generally we try to keep as much as possible out of the affairs of the syndicate. I would say that if we are having a little difficulty with respect to payments, we are more likely to look at them than otherwise.

Mr. Korchinski: If a syndicate formed of three members found that one of their members was for example somewhat reckless with machinery, or if for some other reason they decided that they would rather not have him in the syndicate, or if, for example, he did not want to contribute his share of the payments for one reason or another, can the syndicate be broken up without having to pay off the loan?

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Mr. Owen: Do you have a copy of the General Syndicate Agreement?

[Interpretation]

M. Olson: Absolument.

M. Muir (Lisgar): Est-ce qu'ils le peuvent s'ils constituent une société?

M. Olson: De toute façon il faudra qu'ils constituent un genre de société, de syndicats ou de coopératives et créer une entité légale et ensuite remplir la condition de s'adonner principalement à l'agriculture. Ils peuvent se grouper pour le concassage, le malaxage, la moulure, etc, mais ils seront toujours admissibles s'ils alimentent leur bétail séparément.

M. Muir (Lisgar): La raison pour laquelle je pose cette question c'est que vous allez probablement recevoir des demandes de la part des intéressés.

M. Olson: Oui.

Le président: Monsieur Korchinski.

M. Korchinski: Monsieur le président, je me demande si vous imposez un système uniforme de comptabilité aux syndicats? Est-ce qu'ils doivent tous tenir les mêmes livres ou bien est-ce que chacun peut adapter la comptabilité de son choix?

M. Owen: Chacun a son propre système. Nous demandons qu'ils tiennent des livres et que les affaires financières des syndicats soient indiquées séparément. Mais nous ne cherchons pas à imposer une formule uniforme de comptabilité.

M. Korchinski: Mais malgré tout, est-ce que vous jetez un coup d'oeil, de temps en temps, dans ces livres? Est-ce que la corporation elle-même y jette un coup d'oeil? Est-ce que vous les vérifiez, ou est-ce que vous y jetez simplement un coup d'oeil?

M. Owen: Non, nous ne les vérifions pas. On peut y jeter un coup d'oeil si on veut, mais en général, nous cherchons à ne pas nous mêler des affaires d'un syndicat. Mais si nous avons une difficulté de paiements nous serons davantage portés à y jeter un coup d'oeil.

M. Korchinski: Maintenant, si un syndicat de trois membres constate qu'un des membres est un peu imprudent avec les machines, par exemple, et par conséquent, les autres décident de l'exclure du syndicat, ou si, par exemple, pour une raison ou pour une autre, il ne veut pas verser ses paiements est-ce que le syndicat peut se dissoudre sans rembourser le prêt?

M. Owen: Est-ce que vous avez un exemplaire du contrat.

[Texte]

Mr. Korchinski: Yes, I have.

Mr. Owen: If you look at the top of the second page, you will find the ways in which the remaining members of the syndicate can arrange to settle the difficulties of any member who does not live up to his performance under the agreement.

Mr. Korchinski: In fact there is a provision that if the original syndicate was formed with three members, it can be carried on with two members? I am sorry I did not read this.

Mr. Owen: I am not sure what would happen if we had to get down to two members. I would suggest that, in order to be effective, the syndicate might be better to have one man move out and somebody else move in. I am not quite sure—and this is a thing that has never arisen—what our legal position would be if the membership in the syndicate decreased below three, because that is the minimum required under the legislation.

I think in administering any type of loan or any type of agreement, we have to make our decision at that time based on the most logical thing to do. If they had to move one member out and there were only two left we would just make an agreement with those two people, and require them to carry on their obligations and use the assets.

Mr. Korchinski: Well, for example, if one member died, then you would be forced into the position where you had only two members.

Mr. Owen: That is right, except that his heirs would also have his interest in that syndicate, an interest in his estate.

Mr. Korchinski: There would be continuity in the syndicate in the event that one died. The two others would simply assume the responsibility for repayment and it would carry on.

Mr. Owen: They of course have to make an arrangement with the heirs of the person who died because they have an interest, a legal and valid equity in that syndicate. Therefore, the remaining members would have to either take in the son of the man who died, or make an arrangement with the estate with respect to the equity of the estate.

Mr. Korchinski: Well, if the estate has to be dispersed, naturally the heirs would have some equity in whatever enterprise was left. Would the syndicate go on further and perhaps provide a loan in order that the deceased member's estate might be cleared away, and so on? Would the Corporation enter into some arrangement like that?

Mr. Owen: We could not make any loan to the remaining members of the syndicate to pay out the

[Interprétation]

M. Korchinski: Oui.

M. Owen: Au haut de la page 2, vous pouvez voir que lorsqu'un membre ne remplit pas ses obligations, il est prévu que les autres membres peuvent régler cette affaire.

M. Korchinski: Donc il est prévu que si le syndicat est composé de trois membres, il peut survivre s'il n'en reste que deux. Je m'excuse, je n'avais pas remarqué ce point.

M. Owen: Je ne suis pas certain de ce qui se passerait s'il ne reste que deux membres. Je pense que, pour que le syndicat soit plus efficace, il serait préférable de remplacer la personne en question par quelqu'un d'autre. Je ne sais pas exactement, c'est une chose qui ne s'est jamais produite, je ne sais pas ce que serait notre position juridique s'il y avait moins de trois membres, parce que la Loi prévoit un minimum.

Je pense que pour gérer un prêt ou un contrat, il faut prendre une décision, la plus logique possible, selon la situation. S'il fallait chasser un membre et n'en conserver que deux, nous passerions un contrat avec ces deux personnes et les obligerions à remplir leurs obligations et à exploiter leurs biens.

M. Korchinski: Si, par exemple, un membre meurt, vous vous trouveriez dans une situation où il n'y en aura plus que deux.

M. Owen: C'est exact, sauf que ses héritiers pourraient avoir un intérêt en jeu.

M. Korchinski: Il y aurait donc une continuité dans le syndicat. Les deux autres membres prendraient sur eux les remboursements et le syndicat subsisterait.

M. Owen: De toute façon, il faudrait qu'ils s'entendent avec les héritiers du défunt car, aux yeux de la Loi, ils ont une part du capital du syndicat. Par conséquent, les autres membres doivent, soit accepter parmi eux le fils du défunt, soit conclure une entente avec les héritiers au sujet de leur part de capital.

M. Korchinski: Mais si les biens doivent être dispersés, les héritiers ont naturellement droit à une part du capital. Est-ce qu'à ce moment-là, le syndicat ira plus loin et fournira un prêt pour que les héritiers puissent reprendre leur part? Est-ce que la corporation interviendrait alors?

M. Owen: Nous ne pourrions pas accorder de prêts aux autres membres pour rembourser les héritiers. Ils

[Text]

[Interpretation]

heirs. The remaining members would have to make an arrangement with the heirs themselves to buy out that estate.

devront s'entendre avec les héritiers directement pour racheter cette part.

Mr. Korchinski: Under the syndicates bill you would not be able to, but would they then be permitted to go to the Farm Credit Corporation, omitting the farm syndicate, for assistance in making the financial arrangements that way?

M. Korchinski: Autrement dit, vous ne pourriez pas le faire d'après la loi, mais est-ce qu'ils auraient alors la possibilité de s'adresser à la Société de crédit agricole?

Mr. Owen: I think they could very well bring in another farmer. They might very well bring in another farmer to take over the assets of that particular deceased member. I suppose under certain circumstances he remaining members might join with some other farmer and form a new syndicate agreement to purchase the assets of the old syndicate that is being disbanded.

M. Owen: Je pense qu'ils pourraient facilement faire entrer un autre cultivateur qui prendrait à sa charge l'actif du défunt, je pense que dans certains cas les autres membres pourraient s'associer avec un autre cultivateur pour former un nouveau syndicat afin d'acheter les avoirs de l'ancien syndicat.

Mr. Korchinski: But after the syndicate has been in operation a few years and let us say that the deceased member had \$15,000 worth of assets in it, how does a new member come in with \$15,000 in order to catch up to where these people have just left off?

M. Korchinski: Mais si le syndicat fonctionne depuis plusieurs années et que le défunt dispose d'un actif de \$15,000, comment un nouveau membre peut-il arriver avec \$15,000 et se mettre à la hauteur des autres?

Mr. Whicher: They sign a cheque.

M. Whicher: Ils font un chèque.

Mr. Barrett: You could loan the money.

M. Barrett: Vous pourriez prêter de l'argent.

Mr. Korchinski: I wish I had it.

M. Korshinski: Si je l'avais.

Mr. Owen: After the syndicate has existed for a number of years and the deceased member had an equity of \$15,000, it is quite likely that by that time our loan would have been paid off.

M. Owen: Si le syndicat fonctionne depuis plusieurs années et le défunt a un capital de \$15,000 il est évident qu'à ce moment-là notre prêt aura été remboursé.

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Mr. Korchinski: Well let us say \$10,000.

M. Korchinski: Disons \$10,000 alors.

Mr. Owen: These farmers have the right and the opportunity to settle their own affairs. If they wish to bring in another farmer, I think he would have to make his own financial arrangements to put in his share of the equity of this syndicate.

M. Owen: Les cultivateurs peuvent s'entendre entre eux. S'ils veulent faire entrer un autre cultivateur, il devra prendre des dispositions pour participer au capital du syndicat.

Mr. Korchinski: Well, failing this, would that member's estate be tied up until such time as they brought in somebody else? If they paid off all indebtedness, if they made their annual payments, you would not have any claim on them. If they refused to take in somebody else, would that mean that a deceased members estate would be tied up until this thing is finally paid off?

M. Korchinski: Mais si ce n'est pas le cas, est-ce que l'actif du défunt est retenu jusqu'à l'arrivée d'un autre membre? Même s'ils ont payé leurs dettes et qu'ils ont fait leurs paiements annuels vous n'auriez aucun recours contre eux. S'ils refusaient de faire venir quelqu'un d'autre, cela voudrait-il dire que la part du défunt serait bloquée jusqu'à ce que quelqu'un d'autre vienne.

Mr. Owen: The deceased member's heirs would have an interest in the property owned jointly by the syndicate and to the extent that an estate has to be settled, that is one of the things they would have to settle just the same as any other assets the deceased member might have had.

M. Owen: Les héritiers du défunt auraient un intérêt dans les biens appartenant conjointement au syndicat, et ce serait là une affaire qu'ils devraient régler, comme ce serait le cas pour n'importe quel autre actif.

Mr. Korchinski: No further questions.

M. Korchinski: Je n'ai plus de questions à poser.

[Texte]

The Chairman: Thank you, Mr. Korchinski. I want to draw to the attention of the members of the Committee that conversation during the hearing makes it difficult because this conversation is recorded on tape too. It does make it difficult for the typists later to separate the questioner and the witnesses from the other conversations that may be going on. I recognize Mr. Whelan.

Mr. Whelan: First of all, I have not studied the Bill in great detail, but can a member of Parliament be a member of a syndicate and borrow money under this?

Mr. Barrett: It is a bad risk.

Mr. Owen: In so far as the Farm Machinery Syndicates Credit Act is concerned, there is nothing which prohibits a member of Parliament being a member. However, I question whether the House of Commons Act or the Canada Elections Act would allow him to be a member of Parliament afterwards.

Mr. Barrett: I would also question the fellow who asked the question.

Mr. Whelan: I think it is right in some act. Is it not in the Farm Credit Act that a Queen's representative may not borrow money?

Mr. Owen: No, it is not in the Farm Credit Act. This is in the act dealing with the election of members to Parliament and their authority to make contracts with a government agency during the time they are members.

Mr. Whelan: That covers every loan agency that the Crown may have; is that not right?

Mr. Owen: Yes, it covers all government agencies.

Mr. Whelan: It is illegal for a representative of the Queen to enter into a contract with the Queen; I think that is the way it is worded.

Mr. Owen: I think it is a lot more complex than that; I have read it just recently.

Mr. Whelan: That is just in ordinary layman's terminology, not in legal garbage.

The Chairman: What is your question, Mr. Whelan?

Mr. Whelan: If you had an operation that required the borrowing of \$300,000 and you had three different parcels of land and three different syndicates formed that were perhaps ten feet apart, but you had a gate between, one plant did one operation and the

[Interprétation]

Le président: Merci, monsieur Korchinski. Je voudrais attirer l'attention des membres du Comité sur le fait que les conversations privées pendant les débats posent des difficultés parce qu'il y a un enregistrement et que par conséquent, il est très difficile, notamment pour les interprètes, de faire la distinction entre les conversations privées et les conversations officielles. Je donne la parole à M. Whelan.

M. Whelan: Tout d'abord, je dois dire que je n'ai pas encore étudié le projet de loi en détail, mais est-ce qu'un député peut faire partie d'un syndicat et emprunter de l'argent à ce titre?

M. Barrett: C'est plutôt risqué.

M. Owen: Eh bien, en ce qui concerne la Loi sur le crédit accordé aux syndicats de machines agricoles, rien n'empêche un député de faire partie d'un syndicat. Cependant, je doute que la Loi sur la Chambre des communes ou la Loi électorale du Canada permettent à la personne en question de rester député après.

M. Barrett: Je doute aussi du type qui a posé la question.

M. Whelan: Je pense qu'il est indiqué dans la *Loi sur le crédit agricole* qu'un député ne peut pas emprunter d'argent.

M. Owen: Non, ce n'est pas dans la *Loi sur le crédit agricole*. Il s'agit de la loi portant sur l'élection des députés et leur pouvoir de passer des contrats avec une agence du gouvernement lorsqu'ils sont députés.

M. Whelan: C'est valable pour n'importe quelle agence de prêt du gouvernement?

M. Owen: Oui.

M. Whelan: Il est illégal, pour un représentant de la reine, de passer un contrat avec la reine.

M. Owen: Je pense que c'est beaucoup plus complexe que cela. Je l'ai lu tout récemment.

M. Whelan: Je m'excuse mais je parle en profane et je n'utilise pas le jargon juridique de rigueur.

Le président: Quelle est votre question, monsieur Whelan?

M. Whelan: Si, par exemple, une exploitation a besoin de \$300,000 de prêt, et que vous avez trois différentes parcelles de terrain et trois syndicats différents, mais séparés par une grille, et qu'il y a une exploitation qui fait tel travail, un syndicat qui en fait

[Text]

[Interpretation]

other syndicate borrowed \$100,000 to do the other operation—you could have a whole chain reaction. If they are all farmers and want to go into—as I think was mentioned here—the processing or the cold storage business, there would be nothing to stop that, would there?

un autre, et emprunte \$100,000, rien n'empêche la réaction en chaîne, n'est-ce pas?

Mr. Owen: No, provided the assets of each syndicate were clearly distinguishable from the assets of the other. In other words, we would not wish to have loans where there was confusion with respect to the security for each of the loans.

M. Owen: Non, bien sûr, à condition que l'actif de chacun de ces syndicats se distingue clairement de celui de l'autre syndicat. Autrement dit, on ne voudrait pas que l'on accorde des prêts alors qu'on ne sait pas très bien quel peut être le gage de chacun de ces prêts.

Mr. Whelan: Are there provisions in the Bill that say that you have the right to distinguish between these assets?

M. Whelan: Est-ce qu'il est prévu dans la loi que vous avez le droit de faire une distinction entre ces différents actifs?

Mr. Owen: No, not in that terminology. There is a provision in the Bill for us to lend to a syndicate up to 80 per cent of the purchase price of assets, and that would be to that syndicate. Now, as a matter of lending principle, we would not turn around and lend another group money on the same specific security because it just does not work.

M. Owen: Eh bien, pas dans ce sens-là. Disons simplement qu'il est prévu que nous pouvons accorder un prêt jusqu'à 80 p. 100 des biens du syndicat. On ne pourrait pas alors se tourner vers l'autre syndicat et faire le même prêt sur le même gage.

Mr. Whelan: No, I understand that. That is all.

M. Whelan: Je comprends. C'est tout.

Mr. Korchinski: Could I just follow that up with a supplementary? Do you in the corporation not take in all the security that the person has? I understand that you take in just about everything in order to give anybody a loan at all, so how would anybody have other security?

M. Korchinski: Est-ce que je peux reprendre votre question à ce sujet précisément? Est-ce que, dans la société, vous ne prenez pas tous les gages que la personne possède? Je croyais savoir que vous gagiez absolument tout. Alors, comment peut-il y avoir d'autres biens puisque vous les gagez tous?

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An hon Member: That is a good one.

Une voix: Bonne question.

Mr. Owen: I must point out here that we are dealing with the Farm Machinery Syndicates Credit Act as distinct from the Farm Credit Act. I would like to say that even under the Farm Credit Act we take only that security which we think we require, and we often leave out part of the farmer's assets from our security. In this instance very often we do not take any security other than the note itself. In other words, we do not always take a chattel mortgage on the chattels. If three or four farmers are buying one machine and they have all signed the note, then we would go ahead in many instances and not even take a mortgage against the chattels.

M. Owen: N'oubliez pas une chose, c'est que, ici, nous parlons de la *Loi sur le crédit accordé aux syndicats de machines* qui est différente de la *Loi sur le crédit agricole*. Je voudrais préciser que même dans la *Loi sur le crédit agricole* nous n'utilisons que ce dont nous avons besoin.

Dans ce cas-ci, nous ne prenons aucun autre gage que le contrat lui-même. Autrement dit, il n'y a pas toujours une hypothèque. S'il y a trois ou quatre agriculteurs qui achètent une machine et qui signent la facture, eh bien, on va aller plus loin et on ne va même pas prendre d'hypothèque.

Mr. Korchinski: Suppose the syndicate wanted to take the maximum amount available under the syndicate loan, in terms of dollars how much security would you require?

M. Korchinski: Supposons que ce syndicat voudrait alors tirer le maximum du prêt qu'ils peuvent obtenir; en dollars, disons, quel serait le chiffre maximum que vous voudriez avoir comme gage?

Mr. Owen: Well, let us say we had four farmers who were buying a machine that cost \$15,000 or \$20,000 and they had good businesses and good credit ratings. I suggest that what we would do would be to take

M. Owen: Disons que si quatre agriculteurs achètent une machine de \$15,000 ou de \$20,000 et qu'ils ont une exploitation qui marche bien, s'ils ont une bonne solvabilité, eh bien, ce que nous ferions alors, ce serait

[Texte]

their signatures on the agreement and their signatures on a note, and no security on the assets at all.

Now, if those same four farmers happened to have relatively poorer credit ratings and they were in less solid financial positions, then we might take a chattel mortgage against that machinery. If it were a large loan in relation to the assets of the individual farmers, then we would protect ourselves with a chattel mortgage.

These decisions we have to make vary from one syndicate to another depending upon the credit rating and the soundness of the syndicate itself.

Mr. Korchinski: Then in no case is anyone refused a loan simply because his assets are too great?

Mr. Owen: Not under the Farm Machinery Syndicates Credit Act.

Mr. Korchinski: But under the Farm Credit Act he may be.

Mr. Owen: Under the Farm Credit Act that is true. If a farmer is already well established we may decline to make a loan to him because he already has a good sound economic unit.

The Chairman: Gentlemen, this supplementary situation can be abused. I have been waiting to recognize Mr. Thomson and I think I must recognize Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I am glad the Minister is here because the question I have relates more to the policy of the government in respect of this and I want to use an illustration. In Saskatchewan, under both the previous and present administrations, the production of hogs has been encouraged. In terms of the Farm Machinery Syndicates Credit Act, does the present federal government single out any particular activity—it could be potato growing and I mentioned hogs—and say, this would be good for the economy; we will lend money to help farmers grow potatoes or process potatoes, or some product like this?

Is there any, if you will, policy pressure to encourage a particular industry? In my own view if there were any policy pressure I think they might produce hogs in Saskatchewan, but over the whole country do you use any policy pressure to encourage any particular phase of the industry?

Mr. Olson: Mr. Chairman, under this bill we do not separate commodities or particular types of production for encouragement in certain areas. The Farm Credit Corporation look at the proposition that is being made in so far as the purchase of equipment,

[Interprétation]

prendre leurs signatures sur le contrat, puis une signature sur la facture mais aucune garantie.

Si, par contre, on a des petits agriculteurs qui ont une moins bonne solvabilité, qui sont dans une situation financière moins bonne, eh bien, à ce moment-là on prendra peut-être une certaine hypothèque, un gage sur les machines. Si c'était un emprunt beaucoup plus important, alors peut-être prendrions-nous une hypothèque sur les bâtiments.

Voilà, disons, une situation qui fait que nous déciderions en fonction de la situation, en fonction de la solvabilité des syndicats eux-mêmes.

M. Korchinski: Jamais on ne refuse un emprunt à quelqu'un parce qu'il a un actif trop grand?

M. Owen: Pas dans le cadre de la *Loi sur le crédit accordé aux syndicats* de machines agricoles.

M. Korchinski: Dans le cadre de la *Loi sur le crédit agricole*.

M. Owen: Oui. Si un agriculteur est déjà bien installé, nous pouvons alors refuser de lui accorder un prêt, parce qu'il a déjà une position économique saine.

Le président: Je pense qu'on risque d'abuser un petit peu des questions complémentaires. Je dois donner la parole à M. Thomson.

M. Thomson (Battleford-Kindersley): Monsieur le président, je suis heureux que le ministre soit parmi nous, parce que la question que j'ai à lui poser porte beaucoup plus sur la politique du gouvernement à ce sujet. Je voudrais utiliser un exemple. En Saskatchewan, à la fois avec l'ancien gouvernement et le gouvernement actuel, on a encouragé la production de porcs. Dans le cadre de la *Loi sur le crédit accordé aux syndicats de machines*, est-ce que le gouvernement fédéral actuel, —j'ai parlé d'éleveurs de porcs— parle des producteurs de pommes de terre; est-ce qu'on indique clairement que l'on pourrait aider des producteurs de pommes de terre ou d'autres produits de ce genre si cela peut aider l'économie, autrement dit, est-ce qu'il y a des pressions de nature telle que l'on cherche à favoriser la production d'un produit donné?

D'après moi, s'il y avait des pressions d'exercées dans un sens ou dans l'autre, je pense qu'en Saskatchewan on favoriserait la production, l'élevage des porcs. Mais à l'échelon national, à l'échelon du pays, est-ce que vous exercez des pressions pour encourager un secteur de l'industrie plutôt qu'un autre?

M. Olson: Monsieur le président, pas dans le cadre de ce projet de loi. Nous ne faisons pas la distinction entre les différents types de production que l'on pourrait encourager dans certaines régions plutôt que dans d'autres.

[Text]

buildings or whatever is contained in the program presented to the Farm Credit Corporation is concerned when there is an application for this credit.

I think your question relates to some federal government policies administered by a different department where, under ARDA for example, there has been some financial assistance granted to encourage certain types of production in certain areas because it is the opinion that it would be of economic advantage to do so. I would not like to get into that discussion here, so I could say to you that each one of these applications is considered on its merit and the conditions that are, in fact, in that area. It is not a promotion type of thing as far as this Bill is concerned.

Mr. Thomson (Battleford-Kindersley): Thank you; that is what I wanted to know.

The Chairman: Thank you, Mr. Thomson I recognize Mr. Peters.

Mr. Peters: I just want to raise this point: Is it the intention of the farm machinery syndicates to continue to ask for—you mentioned this when Mr. Korchinski asked a question about the putting up of chattel mortgages—is it still the intention to have each of the individuals in the syndicate personally liable for the total of the syndicate loan?

Mr. Owen: Yes.

Mr. Peters: Well, it would be rather ridiculous if you used the example of \$15,000 and there were three people in it. This would amount to \$45,000 as surety on a \$15,000 loan. It would be unreasonable to ask for a chattel mortgage as well.

Mr. Owen: It depends upon the credit standing of the various members of the syndicate as to whether or not this would be excessive or not.

Mr. Peters: Well, it just seems to me to be, as far as the act is concerned a very satisfactory and foolproof guarantee. It is probably a very detrimental guarantee to the establishment of syndicates, because if I went in with two other farmers who were better equipped than I, and better financially off than I, I would be in a very good position to take advantage of them. They, on the other hand, would be very doubtful about going into a syndicate with a partner, particularly a young farmer who was new in the business, or who was in it a relatively short time, who would not have the money, the farm machinery and other things necessary for his operation. So he would be pretty close to the margin all the time.

Is this not considerable limitation? A chattel mortgage would provide the syndicate with their guarantee without this restriction.

[Interpretation]

La Société du crédit agricole étudie les propositions qui lui sont faites pour l'achat de machines, de bâtiments, et cela est indiqué clairement dans le programme de la Société lorsqu'on lui fait une demande de prêt.

Votre question soulève un point. En effet, les politiques du gouvernement sont administrées par différents organismes. Par exemple, l'ARDA relève d'un certain ministère qui peut estimer qu'il est préférable de développer telle culture plutôt que telle autre. Je ne voudrais pas entrer dans les détails ici, mais, simplement, ce que je pourrais vous dire, c'est que chacune de ces demandes est étudiée sur la base de sa valeur et sur les conditions qui prévalent dans une région donnée. Ce n'est pas une question d'encouragement, mais plutôt de conditions.

M. Thomson (Battleford-Kindersley): Je vous remercie. C'est tout ce que je voulais savoir.

Le président: Je vous remercie, monsieur Thomson. Je donne la parole à M. Peters.

M. Peters: Un seul point que je voudrais soulever. Dans le cas d'un syndicat de machines agricoles tel que vous l'avez mentionné lorsque monsieur Korchinski a posé une question au sujet des hypothèques sur les bâtiments, est-ce que vous avez toujours l'intention d'obtenir que les membres soient responsables pour le montant total du prêt?

M. Owen: Oui.

M. Peters: Ce serait le comble du ridicule si on s'en tenait à l'exemple de \$15,000 et qu'il y aurait 3 membres dans le syndicat. Cela ferait une garantie de \$45,000 pour un prêt de \$15,000. Ça ne serait vraiment pas raisonnable.

M. Owen: Cela dépend de la solvabilité des divers membres du syndicat, pour décider si cela est excessif ou non.

M. Peters: Cela me semble satisfaisant. C'est une garantie à toute épreuve d'après la Loi mais c'est peut-être un empêchement à l'établissement d'un syndicat. Si le ministère a deux autres cultivateurs qui sont mieux placés que moi, je serais très bien placé pour profiter d'eux. D'autre part, eux de leur côté, auraient des doutes au sujet d'une association avec un partenaire et surtout un jeune cultivateur qui débute et qui n'aurait pas les sommes nécessaires pour investir dans l'achat de machineries indispensables à son entreprise et qui opérerait toujours à peu près à la limite de son crédit. Une hypothèque sur les bâtiments donnerait les garanties suffisantes à la société, et sans cette restriction.

Il me semble que cette Loi vise particulièrement à aider les anciens amis du ministre de l'Agriculture et qui sont tous très riches. Mais si on applique cette loi

[Texte]

It would seem to me that this act was designed specifically for the friends of the previous Minister of Agriculture, and they were all very wealthy people, and it did not apply. But if it is going to apply now, you are going to have to take into consideration people who are close to the margin. And in my experience most small farmers are in that category, where probably a guarantee of the chattel would be more advantageous than this type of blanket guarantee.

There is technically \$45,000 put up if three people are in the syndicate and that seems to me to be pretty hard. Certainly the bank would know about this, and that would limit any borrowing that the person could do against his credit rating, as long as this was outstanding. I am sure this is a registered note, and certainly the Farm Credit Corporation would not want to be making another guarantee of \$15,000 and making another one to someone else, as individuals. So it seems to me we are asking again for a guarantee that is going to make it very difficult for newly developing farmers to borrow under this basis.

Mr. Owen: I would like to get one thing clear. You mentioned \$45,000 for these three members. You are assuming here that they have a maximum load of \$45,000.

Mr. Peters: No, a maximum load of \$15,000.

Mr. Owen: I see. They have a loan of \$15,000, with the three signatures on it.

Mr. Peters: Yes.

Mr. Owen: All we could recover, of course, is \$15,000.

Mr. Peters: That is right.

Mr. Owen: But they are all responsible for it, yes.

Mr. Peters: So you have tied up \$45,000 worth of credit.

Mr. Owen: No, not really.

Mr. Olson: We do not tie up any more credit than we extend.

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Mr. Peters: Well, if I sign a note for my \$15,000, then I have a \$15,000 note due under certain circumstances. My partner B has a \$15,000 note due under certain circumstances. Partner C has a note for \$15,000 due under certain circumstances. Now it is not all due, I grant you, and it can never all be called \$45,000. That is also true. But as far as my credit rating is concerned, I gave a note for \$15,000 that is

[Interprétation]

maintenant, il va falloir tenir compte des personnes dont l'entreprise est près de la limite et des petits cultivateurs. Je pense qu'une hypothèque sur les bâtiments serait plus satisfaisante.

Il me semble qu'une garantie de \$45,000 pour un engagement de \$15,000, serait excessive. Les banques seraient au courant de cet engagement et cela limiterait le crédit de l'emprunteur individuel. Je suis sûr qu'il s'agit là de billets à ordre enregistrés et la Société du crédit agricole ne voudrait certainement pas consentir à émettre un autre certificat de \$15,000 à chacun des membres du syndicat. Il me semble que si nous demandons encore une garantie, cela va rendre très difficile les emprunts pour les nouveaux cultivateurs.

M. Owen: Vous avez mentionné \$45,000 pour les trois membres. Vous présumez qu'il s'agit d'un prêt maximum de \$45,000?

M. Peters: Non, je parle d'un emprunt de \$15,000 avec les trois signatures.

M. Owen: Ils ont emprunté \$15,000, et ont signé conjointement tous les trois?

M. Peters: Oui.

M. Owen: Tous ce que nous pouvons recouvrer, c'est \$15,000.

M. Peters: Vous avez raison.

M. Owen: Mais ils sont tous responsables pour ces \$15,000.

M. Peters: Par conséquent, vous engagez \$45,000 de crédit?

M. Owen: Non, pas vraiment.

M. Olson: Non, pas vraiment, nous ne bloquons pas plus de crédit que nous n'en offrons.

M. Peters: Si je signe un billet pour mon \$15,000, alors j'ai donc un billet de \$15,000 dû dans certaines circonstances. Mon partenaire b) a aussi un billet échu dans certaines circonstances et la même chose pour c). J'admets que tout cela n'est pas dû et ne sera jamais remboursable à \$45,000. En tant que mon état de crédit, ma solvabilité, j'ai un billet de \$15,000 ainsi que mes deux amis et nous avons \$45,000 de crédit

[Text]

payable under these circumstances, and so have my two friends. We have \$45,000 credit tied up for a \$15,000 loan, and that is a very large guarantee.

Mr. Howard (Okanagan Boundary): They are joint and severally liable, that is true.

Mr. Peters: That is right, And because, in the legal terms, we are joint and severally liable, we have \$45,000 credit tied up here.

Mr. Whicher: In reverse, Mr. Chairman, assets of \$15,000 for the machine, if it is a machine, because if the two go broke, the other man gets the machine.

Mr. Owen: I wonder if you would like me to restate the reasons for this particular clause?

Mr. Downey: On a point of order, Mr. Chairman. would this not be more appropriate if it were discussed under the jointly and severally clause, under Clause 3?

The Chairman: Mr. Peters passes so I will now recognize Mr. Muir.

Mr. Muir (Lisgar): Mr. Chairman, I would like to pose a question to Mr. Owen. Supposing the syndicate runs into temporary financial trouble, because of crop loss or even inability to sell its produce, is there any provision for deferment of principal and/or interest payments? I am thinking particularly of the very serious economic situation that the farmers of the west are in at present.

Mr. Owen: We have the facilities within the legislation. Inherent in any credit operation is the right to have accounts in arrears, and if a farmer is in a serious situation for reasons beyond his control and we are relatively satisfied that they are doing their best, then we would naturally carry the account in arrears. There is no formal method of deferment. We accept that we cannot expect them to pay, and we wait for it.

Mr. Muir (Lisgar): That leads me to my next question. Supposing one member of the syndicate was able to meet the syndicate's obligation to the Corporation, because he was more fortunate than the other members of the syndicate, would he be financially responsible not only for his own, but for his partner's obligation as well?

Mr. Owen: We look at the state of the syndicate as a whole, and the failure of one individual to pay his share is a matter which the members resolve among themselves in accordance with the terms of their agreement.

[Interpretation]

attaché pour un emprunt de \$15,000 et c'est une garantie assez substantielle, très substantielle même.

M. Howard (Okanagan-Boundary): Ils sont tous individuellement et collectivement responsables, c'est vrai.

M. Peters: C'est vrai. Et selon la loi, nous sommes individuellement et conjointement responsables pour un montant global de \$45,000.

M. Whicher: Par contre, si deux des cultivateurs font faillite, le troisième obtient la machinerie.

M. Owen: Voulez-vous que je vous répète les raisons qui ont motivé cet article?

M. Downey: Est-ce qu'on ne serait pas mieux avisé de discuter de cette question à l'article 3?

Le président: Monsieur Muir (*Lisgar*).

M. Muir (Lisgar): Monsieur le président, j'aurais une question à poser à M. Owen. Supposons que le syndicat soit en difficulté temporaire à cause de mauvaises récoltes ou de difficultés dues à l'écoulement des produits. Je pense à une situation économique et difficile comme celle que rencontrent les cultivateurs de l'Ouest. Quelles sont les facilités offertes par la Société?

M. Owen: Toute opération de crédit comporte des dispositions inhérentes à la Loi, le droit d'avoir des comptes en retard. Si le cultivateur est en difficulté pour des raisons indépendantes de sa volonté, et si nous sommes relativement satisfaits de constater que ce cultivateur fait de son mieux, naturellement, nous attendrions, nous tiendrions son compte en suspens. Il n'y a pas de méthode officielle concernant le différé, mais nous acceptons le fait qu'il ne peut pas payer et nous attendons qu'il puisse le faire.

Mr. Muir (Lisgar): Cela me mène à poser la question suivante. Supposons qu'un des membres du syndicat peut rencontrer ses obligations envers la Société parce qu'il est plus fortuné que les autres membres du syndicat, est-ce qu'il serait responsable financièrement non seulement pour sa propre participation mais aussi pour celle de ses partenaires?

M. Owen: Nous considérons le syndicat comme un tout et lorsqu'un individu ne paie pas sa part, c'est une question que le syndicat doit régler entre ses membres d'après leur entente.

[Texte]

Mr. Muir (Lisgar): In other words, this means that the syndicate would have to adjust its financial difficulties among its own members?

Mr. Owen: That is right.

Mr. Muir (Lisgar): And one farmer would be stuck with the obligations of the whole syndicate in one particular year, when he may be in the position of being able to meet the obligation. But this would not exactly be the right thing for him to have to do, either.

Mr. Owen: Under those circumstances, the chances are that the syndicate would make a part payment on their annual instalment, and have us carry the balance over to the next year.

Mr. Muir (Lisgar): This one man who could afford it would make his payment as a part payment for the whole syndicate and the other part would be deferred?

Mr. Owen: That could be arranged. These are all figures that we negotiate back and forth with farmers or syndicates, depending upon the circumstances.

Mr. Olson: To be fair and just.

● 1039

M. Clermont: Monsieur le président, j'invoque le Règlement. L'article donne la définition d'un syndicat. Depuis quelques minutes, on s'éloigne de l'article 2. Les questions posées par le préopinant n'ont aucun rapport à l'article 2; lorsque j'avais la parole tout à l'heure, j'aurais pu moi aussi, poser des questions sur le Bill en général. Je demanderais à la présidence de limiter les questions à l'article 2 qui donne une définition d'un syndicat.

The Chairman: Thank you, Mr. Clermont. Your point is well taken. I will now recognize Mr. Whelan.

● 1040

Mr. Whelan: I just want to ask one question, Mr. Chairman. I agree, first of all, with what Mr. Clermont has said. It seems to me you are not paying any attention to Clause 2 at all; you are all over every clause.

The Chairman: Would you ask your question, please.

Mr. Whelan: I proposed to ask—and this has nothing to do with Clause 2...

The Chairman: Order. If it has nothing to do with Clause 2 it is out of order.

I will recognize Mr. Danforth.

[Interprétation]

M. Muir (Lisgar): En d'autres termes, cela signifie que le syndicat devrait adopter des méthodes d'ajustement entre ses membres.

M. Owen: C'est ça.

M. Muir (Lisgar): Et il peut arriver qu'un cultivateur soit obligé de rembourser pour tout le syndicat. Lorsque les autres membres au cours d'une année particulière ne peuvent pas rencontrer leurs obligations lui, serait responsable; cela ne serait pas tout à fait juste.

M. Owen: Dans ces circonstances, il y a des chances que le syndicat fasse un paiement partiel sur les sommes dues annuellement et nous attendrions à l'année suivante pour percevoir le solde.

M. Muir (Lisgar): Le cultivateur qui en a les moyens fera donc son paiement, ce dernier sera considéré comme un paiement partiel pour le compte du syndicat, et l'autre partie en serait différée?

M. Owen: On peut faire des arrangements. Ce sont des chose que nous négocions avec les syndicats d'après les circonstances.

M. Olson: Pour être exact.

Mr. Clermont: Mr. Chairman, on a question of order. The clause gives the definition of a syndicate and I think that we have been straying away from clause 2. The questions put by the previous speaker do not apply to clause 2. When I had my turn to ask questions a while ago, I also could have asked questions on the bill in general. I would ask the Chairman to limit the questions to clause 2 which gives the definition of a syndicate.

Le président: Merci monsieur Clermont. J'ai bien pris note de votre point de vue. Monsieur Whelan.

M. Whelan: Une question, monsieur le président. Je suis d'accord avec ce que vient de dire M. Clermont. Il me semble cependant que vous ne vous occupez pas du tout de l'article 2; les questions s'appliquent au projet de loi en général.

Le président: Voulez-vous poser votre question, s'il vous plaît?

M. Whelan: Je voudrais simplement vous demander et cela n'a rien à voir avec l'article 2...

Le président: Si cela ne s'applique pas à l'article 2, votre question n'est pas recevable. Monsieur Danforth.

[Text]

Mr. Whelan: I am glad to see you are down to the facts.

Mr. Danforth: Mr. Chairman, in (c) (iii) of Clause 2 it states:

2. (iii) an association formed by an agreement in writing, approved by the Corporation,

We have ascertained from the testimony this morning that the Corporation does make a determination on the qualifications of each of the individuals, the association, or the co-operative. This is based, as I understand it, on two basic premises: (1) that the individuals are actually engaged in farming, or the majority are engaged in farming, and, (2) the financial stability of the individuals making the application.

From time to time this morning we have heard reference to the credit rating of the various individuals. Can we have some understanding of the method by which a credit rating is ascertained in order to know whether a member is eligible to be a member of a syndicate? Does the Department make its own credit survey? Is it a matter of an applicant making his financial statement? Or is it a combination of these, before the Corporation determines whether or not a member is indeed eligible to be a member of a syndicate?

Mr. Whelan: Mr. Chairman, may I ask to what part of paragraph 2 that refers?

With all respect, Mr. Danforth, I do not see how that question relates to anything contained in paragraph 2, with which we are dealing.

Mr. Danforth: Mr. Chairman; it states:

an association formed by an agreement in writing, approved by the Corporation.

The Corporation approves the criteria, or the qualification, of each of the basic members of the syndicate; and, naturally, there are two criteria: (1) whether or not he is indeed a *bona fide* farmer; and, (2) whether or not he has the necessary credit to become a member of a syndicate. This is the basis of my question under (c) (iii) of Clause 2.

The Chairman: Your right to feel the question is upheld.

Mr. Owen: Under this section we determine the eligibility of the individual members purely on the basis of whether they are engaged in agriculture and whether the majority are principally engaged in agriculture. Therefore, their credit rating does not determine whether or not they are eligible to be members of the syndicate.

[Interpretation]

M. Whelan: Je suis heureux de vous voir venir aux faits.

M. Danforth: Monsieur le président, d'après l'article 2(c) (iii) . . .

Une association constituée par accord écrit, approuvé par la Société . . .

Et, nous avons conclu d'après le témoignage de ce matin que la Société s'assure des qualifications de chacun des membres, de la coopérative ou de l'association.

Si j'ai bien compris, cela est fondé sur les deux hypothèses fondamentales suivantes: Tout d'abord, il doit s'agir de personnes engagées dans l'agriculture et dont la principale occupation de la majorité d'entre eux doit être l'agriculture; et deuxièmement de la stabilité financière des personnes faisant la demande.

De temps en temps, ce matin, on a parlé de l'établissement de la solvabilité de divers individus. Pourrions-nous savoir quelle est la méthode par laquelle on s'assure de la solvabilité d'une personne aux fins de s'assurer de son aptitude à devenir membre d'un syndicat. Est-ce que le ministère fait sa propre enquête? Est-ce que le demandeur doit présenter un état de ses comptes ou doit-on présenter une combinaison des deux avant que la Société approuve ou non l'élection d'un membre au sein du syndicat?

M. Whelan: A quelle partie de l'article 2 est-ce que cette question s'applique? En toute déférence, monsieur Danforth, je ne vois pas comment vous pouvez poser cette question vis-à-vis de l'article 2?

M. Danforth: On dit:

Une association constituée par accord écrit, approuvé par la Société . . .

La Société donne son approbation sur les critères ou sur les qualifications, sur chacun des membres fondateurs du syndicat. Il y a deux critères. Est-ce qu'il s'agit véritablement d'un cultivateur, et deuxièmement, a-t-il la solvabilité nécessaire pour devenir membre d'un syndicat? Et c'est sur cela que je fonde ma question, sur la partie c) (iii) de l'article 2.

Le président: Votre question est valable.

M. Owen: D'après cet article, nous déterminons l'éligibilité de la personne, simplement sur le fait qu'il s'adonne à l'agriculture ou que la principale occupation de la majorité d'entre eux est l'agriculture.

[Texte]

Credit rating enters into it when we decide whether or not we are going to make a loan to the syndicate, and at that stage we make the same type of credit check as does any other lender relative to loans. We find out something about their assets, their liabilities and their income, and how they have handled other obligations they have had in the past.

The Chairman: Thank you, Mr. Danforth. I recognize Mr. Howard.

Mr. Howard (Okanagan Boundary): In view of the fact that the ghost of Mr. Beauchesne is sitting in at our meeting this morning I will wait until we get to Clause 4.

The Chairman: Mr. Southam?

Mr. Southam: Mr. Chairman, my question is actually supplementary to the topic introduced by Mr. Muir a few moments ago. It deals with the repayment of these loans under trying circumstances. I wish to put my question to the Minister. This may relate to policy, but Mr. Muir brought up the point that we are suffering this year in Western Canada from a very unfortunate and abnormal situation in not having markets for dry grain, and the matter of wet grain. Has the government given any consideration to the creation of a general moratorium on the repayment of loans under this or similar legislation?

● 1045

Mr. Olson: Mr. Chairman, that relates to Clause 4, subsection (1) and I would not like to reply to it now. I would, however, draw to Mr. Southam's attention the fact that I have answered that precise question at least five times in the House of Commons during the fall session.

Mr. Southam: I thought it was relative to what Mr. Muir had to say when he and Mr. Owen were discussing it.

Clause 2 agreed to.

On clause 3—*Loans to farm syndicates*.

The Chairman: Shall Clause 3 carry?

Some hon. Members: No.

The Chairman: I had Mr. Gleave, Mr. Korchinski and Mr. Douglas on my list as those who wished to ask questions on Clause 3.

Mr. Gleave: Mr. Chairman, we were on the amendment of Clause 3 and I take it we still are?

The Chairman: That is right.

[Interprétation]

La solvabilité entre alors en jeu lorsque nous décidons si nous allons consentir un prêt au syndicat. Et, nous faisons le même genre d'enquête que tout prêteur fait lorsqu'il s'agit de consentir un prêt, nous nous informons au sujet des biens, des capitaux et des autres obligations du futur emprunteur et de la façon dont ils ont rempli leurs précédentes obligations.

Le président: Monsieur Howard (*Okanagan-Boundary*).

M. Howard (Okanagan-Boundary): Vu que le fantôme de M. Beauchesne préside à nos assemblées, ce matin, j'attendrai pour poser mes questions le moment où nous traiterons de l'article 4.

Le président: Monsieur Southam.

M. Southam: Je reviens à ce qu'a dit M. Muir au sujet du remboursement des prêts dans des circonstances difficiles. Je voudrais poser cette question au ministre parce que je pense que c'est peut-être une question de principe.

Vu que dans l'Ouest du Canada, nous avons une situation anormale, très difficile, parce que nous n'avons pas de marché pour notre blé humide et notre blé sec, est-ce qu'il y a des conditions, est-ce qu'il y a des dispositions dans ce bill pour un moratoire général pour le remboursement des prêts en vertu de cette Loi ou d'une Loi semblable.

M. Olson: Monsieur le président, cela est mentionné à l'article 4, paragraphe (1). Par conséquent, je ne peux pas répondre maintenant, mais j'attire l'attention de M. Southam sur le fait que j'ai répondu à cette question définitivement au moins cinq fois à la Chambre des communes.

M. Southam: Je pensais que cela se rapportait à la discussion entre M. Muir et M. Owen.

L'article 2 est adopté.

Article 3 — Prêts aux syndicats agricoles.

Le président: L'article 3 est-il adopté?

Des voix: Non.

Le président: J'ai une liste de personnes qui veulent poser des questions au sujet de l'article 3. MM. Gleave, Korchinski et Douglas.

M. Gleave: Monsieur le président, au sujet de l'article 3, nous parlions de la modification . . .

Le président: C'est juste.

[Text]

Mr. Gleave: The amendment deals with the matter of lending money on Indian reserves and to Indian bands. It says:

3A. (1) With the approval of the Governor in Council, the Corporation may enter into an agreement with the Minister of Indian Affairs and Northern Development

and so on. Would one need to enter into an agreement with the Department of Indian Affairs to lend money on machinery?

Mr. Olson: Mr. Chairman, we have to have an agreement with the Minister of Indian Affairs and Northern Development, as is pointed out in subsection (1) (a) of Clause 3. For that we have the kind of security that we need relative thereto, and my understanding is that it includes machinery as well as buildings, and that sort of thing. Because as I am sure you are aware, there are limitations on the security that can be taken on any assets that are within the boundaries of an Indian reservation.

Mr. Gleave: Could we have a representative of the Department of Indian Affairs and Northern Development come before this Committee so that we could find out what role they are prepared to play, how they see this dovetailing and what their approach is to this?

In this matter there will have to be arrangements with the Department of Indian Affairs and Northern Development and their attitude, or what they envisage as the amount of participation of Indians, either individually or collectively, is going to be a very important part of this operation.

It is going to affect two things. It is going to affect the safety of the money of the Corporation, and it is also going to affect how much money these people can get and the manner in which they can use it.

This is an altogether new area. I do not disagree with the amendment to any great degree, but I do want to know how it is going to work and what approach the Department of Indian Affairs and Northern Development is going to take. If the Minister, or the Committee, is agreeable to that, that is fine; if not, then I would make a motion that they do appear.

Mr. Olson: Mr. Chairman, perhaps Mr. Gleave would take into consideration what he is really asking. What we are doing by this amendment to Clause 3 is to provide authority for the Corporation to make the provisions of this Act available to Indians who are farmers on reservations.

• 1050

This amendment does not in any way attempt to spell out the policies or the programs of the Department of Indian Affairs and Northern Development. It would mean a very long and involved discussion to go

[Interpretation]

M. Gleave: ... et, je pense qu'elle est toujours à l'ordre du jour. La modification traite des prêts aux réserves indiennes et aux bandes indiennes. J'ai une ou deux questions à poser à ce sujet. La première se rapporte à ce qui suit:

Avec l'approbation du gouverneur en conseil, la Société peut conclure un accord avec le ministre des Affaires indiennes et du Nord canadien, etc.

Eh bien, est-ce qu'un accord est nécessaire avec le ministère des Affaires indiennes pour consentir des prêts pour des machines agricoles?

M. Olson: Monsieur le président, il nous faut l'accord du ministre des Affaires indiennes, comme on l'a fait remarquer au paragraphe (1) de 3 a), afin que nous ayions la garantie nécessaire à ce sujet. Et, si j'ai bien compris, cela comprend aussi la machinerie aussi bien que les bâtiments et autres... Vous n'ignorez pas qu'il nous faut des garanties pour tout ce qui concerne les biens qui se trouvent dans les limites des réserves indiennes.

M. Gleave: Est-ce qu'un représentant du ministère des Affaires indiennes pourrait venir témoigner devant le Comité et nous dire quel est le rôle de ce ministère et pour nous assurer, et pour voir comment ils peuvent accomplir cette coordination et quelle est leur attitude à ce sujet?

Dans cette affaire, il va falloir passer des accords avec le ministère des Affaires indiennes et du Nord canadien et l'attitude ou les idées du ministère au sujet de l'étendue de la participation des Indiens, soit individuellement, soit collectivement, aura un rôle très important à jouer dans cette opération. Ceci affectera deux choses: la sécurité des sommes empruntées de la Société et les sommes d'argent que peuvent obtenir ces personnes et la façon dont elles peuvent l'utiliser.

C'est un domaine tout à fait nouveau, je ne suis pas contre cette modification, mais j'aimerais savoir comment elle va s'appliquer et j'aimerais savoir quelle sera l'attitude du ministère des Affaires indiennes et du Nord canadien. Et, si le ministre et le Comité sont d'accord, pour les convoquer, j'en serais heureux; s'ils ne sont pas d'accord je déposerai alors une motion pour qu'on les convoque.

M. Olson: Est-ce que M. Gleave voudrait bien se souvenir, en demandant cela, de ceci. Ce que nous faisons par cette modification à la Loi, c'est de permettre à la Société d'offrir ce genre de services aux Indiens en conformité de la ligne de conduite du ministère des Affaires indiennes et du Nord canadien.

Nous en avons discuté avec le ministère des Affaires indiennes et il me semble, de la façon dont M. Gleave pose sa question, qu'il désire une étude approfondie de la ligne de conduite adoptée par le ministère des

[Texte]

into the details of the programs that the Department of Indian Affairs may have, and these should properly be raised in that Department and in the appropriate Committee of the House of Commons. All we are doing by this amendment to the Act is to provide the authority to the Corporation to get into and offer this service to the Indians, in keeping with Indian Affairs policy. Obviously we have had discussions with the Department of Indian Affairs but it seems to me, Mr. Chairman, from the way the question was put, that Mr. Gleave is asking for a detailed examination and determination of what Indian Affairs policy may be. We do not think that that is the function of the Department of Agriculture. Our function and that of the Corporation is to have the Act amended so that whatever the policy of the other members of the House of Commons in determining the policy of the Indian Affairs Department it will be as applicable to Indians on reserves.

Mr. Gleave: The fact of the matter is that you are bringing within the scope of this Act the whole matter of the operation of the Farm Credit Corporation Act and the participation of the Department of Indian Affairs and of Indians, and I would submit within the scope of the inquiry of this Committee because we are here to see how this Act operates and to see that it operates well. That is why I think this should be done. Therefore, I will move that whereas this amendment would involve the participation of the Indian Affairs Department be it resolved that we request representatives of the Indian Affairs Department to appear before this Committee. I will so move, Mr. Chairman.

The Chairman: Mr. Whicher.

Mr. Whicher: Mr. Chairman, I just wanted to speak to the motion. I disagree that we should have the Department of Indian Affairs here at all. The only possible reason that we could have them here would be this: to ask them if they will endorse for the Indians or not. That is the only reason that we could possibly wish to have them here. We simply cannot get into an intricate examination of the policy of the Department of Indian Affairs in this particular Committee. Unfortunately under the laws of Canada today, the only way in which we can get money from an Indian on a reservation is by an endorsement by somebody, either Indian Affairs or somebody else. We cannot take a mortgage on the land, and if the Indian went and sold the equipment we could not do anything about it because you cannot sue him when he is a member of that reservation.

Therefore, the only way the Department of Agriculture or this organization could give them money is by an endorsement by somebody. And the appropriate person, of course, is the Minister of Indian Affairs. So

[Interprétation]

Affaires indiennes. Ce n'est pas le rôle du ministère de l'Agriculture. Notre rôle et celui de la Société est de modifier la Loi afin que, quelle que soit la politique du ministère des Affaires indiennes, la présente loi s'applique aux Indiens dans les réserves.

M. Gleave: Le fait est que lorsqu'on inclut dans la Loi l'administration de la *Loi sur la Société du crédit agricole* et la participation du ministère des Affaires indiennes et des Indiens eux-mêmes, cela intéresse le Comité parce que notre rôle est de voir à ce que cette loi soit bien administrée. C'est pourquoi je pense que nous devons faire cela. Par conséquent, je propose, puisque cet amendement implique la participation du ministère des Affaires indiennes, qu'il soit résolu que nous demandions aux représentants du ministère des Affaires indiennes de comparaître devant le Comité. J'en fais la proposition, monsieur le président.

Le président: Monsieur Whicher.

M. Whicher: Je ne suis pas d'accord que nous devrions convoquer les représentants du ministère des Affaires indiennes et du Nord canadien. La seule raison de les inviter serait de leur demander s'ils approuvent au nom des Indiens ou non. Nous ne pouvons pas entreprendre une étude approfondie de la politique du ministère des Affaires indiennes au cours des réunions de ce Comité. Au Canada, en ce moment, la seule façon dont nous pouvons obtenir de l'argent d'un Indien qui habite une réserve, est de faire endosser cette dette par le ministère des Affaires indiennes ou un autre. On ne peut pas prendre leurs terres en hypothèques, et s'il vend le matériel fourni, on ne peut pas le poursuivre s'il fait partie d'une réserve. Par conséquent, la seule façon dont les Indiens peuvent emprunter de l'argent du ministère de l'Agriculture ou de la Société est d'obtenir l'endossement de quelqu'un, et notamment, du ministre des Affaires indiennes.

Par conséquent, la seule question que nous pouvons poser au ministère des Affaires indiennes, est: s'ils sont prêts à endosser ces dettes. Sinon, on ne peut pas leur prêter de l'argent d'après les présentes lois du Canada.

[Text]

I would suggest, with all due respect to the hon. member who put forward the motion, that the only question is: will they endorse or will they not endorse? Obviously if they will not endorse, at the moment under the laws of Canada no money can be loaned to them.

The Chairman: Mr. Whelan, on the motion.

Mr. Gleave: Mr. Chairman, may I speak. . .

The Chairman: I think you did speak to the motion, Mr. Gleave. I recognize. . .

Mr. Gleave: Mr. Chairman, if I may have the privilege I would like to answer some of the questions which Mr. Whicher has quite properly raised.

The Chairman: I think that is appropriate. I will recognize you in a minute. I will recognize Mr. Whelan, then the Minister, and then you.

Mr. Whelan: Mr. Chairman, this may have been asked and answered already. Have there been discussions by Mr. Owen, the Chairman of the Corporation, the Minister of Agriculture and the people in Indian Affairs with the Indian people themselves?

• 1055

Mr. Olson: Yes, there have been discussions.

Mr. Whelan: I would like to know what their reaction was.

Mr. Owen: I could give some elaboration on this. You will appreciate that a similar clause was included in Bill C-110, which has now been enacted. As a result, since that time we have been holding discussions regularly with the Department of Indian Affairs developing the form of guarantee which we will obtain, with the basic intent that we should be lending under the same conditions as we would lend to any other farmers with the exception of a guarantee from the Minister instead of a mortgage. Once we have come to an arrangement with respect to the legal terminology that has to be used in the guarantee and how it will work, we are then holding a meeting jointly with representatives of Indians themselves to discuss the actual operations, our operations, as they take place on reserves. I might mention that it was at the request of the Department of Indian Affairs that this clause was included in Bill C-110 and in Bill C-112.

The Chairman: Mr. Minister, did you wish to speak?

Mr. Olson: I would like to say a word or two but perhaps there are some others yet.

[Interpretation]

Le président: Je pense que vous avez demandé la parole sur cette motion, monsieur Whelan.

M. Gleave: Monsieur le président, puis-je parler . . .

Le président: Je crois que vous avez déjà parlé au sujet de cette motion, monsieur Gleave. Je donne la parole . . .

M. Gleave: Monsieur le président, j'aimerais répondre à quelques-unes des questions soulevées à bon droit par M. Whicher.

Le président: C'est tout à fait dans l'ordre et je vous donnerai la parole lorsque M. Whelan et le ministre auront terminé. Monsieur Whelan.

M. Whelan: Monsieur le président, cette question a peut-être déjà été posée et on y a peut-être répondu. Est-ce que le président de la Société est entré en pourparlers avec le ministre des Affaires indiennes et ses fonctionnaires et avec les Indiens eux-mêmes?

M. Olson: Oui, il y a eu des pourparlers.

M. Whelan: J'aimerais savoir quelle a été la réaction.

M. Owen: Je pourrais vous donner des détails. Vous devez comprendre qu'une disposition semblable fait partie du Bill C-110 qui vient d'être adopté. Depuis ce temps-là, nous avons eu des pourparlers fréquents avec le ministère des Affaires indiennes pour établir le genre de garantie que nous pouvons exiger, avec l'idée en tête qu'on voudrait prêter aux Indiens de la même façon que l'on prête aux autres cultivateurs, sauf que, dans le cas des Indiens, au lieu d'une hypothèque, on aurait la garantie du ministère des Affaires indiennes. Lorsqu'on se sera entendu sur la terminologie juridique de la garantie, et son application, nous aurons des discussions avec les représentants des Indiens pour étudier l'application de la loi en ce qui concerne les réserves. C'est à la demande du ministère des Affaires indiennes que cette disposition a été incorporée dans les Bills C-110 et C-112.

Le président: Monsieur le ministre, est-ce que vous avez quelque chose à dire?

M. Olson: Oui, j'aurais quelques mots à dire mais peut-être que d'autres voudraient intervenir.

[Texte]

Mr. Gleave: The fact is that these are the very questions and Mr. Whicher quite clearly stated them. These are the very questions that we should have answered here: the manner in which these loans can be made as far as the Department of Indian Affairs are concerned; the approach which they are going to take; the amount of liability which they think can be assumed in various circumstances; the methods of assessment of—how shall I say—the reliability or viability of various bands and individuals; and the type of security that is going to be taken.

We are entering into a new field here, and there were circumstances described in the debate in the House by the member for Regina East, I think, of delays and so on in the Indian people getting money, which simply did not permit them to operate effectively.

There has been a fair amount of mistrust of our operations among these people up until now; not of the operations of this particular Corporation because it has not been involved, but a mistrust of the Department of Indian Affairs and the way it works. You can take the statement of Allan Clark, the Associate Executive Director of the Indian - Eskimos Association of Ontario, who states in the *Globe and Mail* that Indians are frustrated at every turn and that the Department of Indian Affairs and Northern Development is a totally inadequate, bureaucratic instrument.

I want to know how they are going to dovetail in and I want to know how far they are going to go. I want to know if they are going to be more flexible and more effective than they have been until now. This amendment has been brought in, shall we say, rather hastily to deal with a situation which we saw should be dealt with under this Act. I quite agree with the mover but let us have the representatives of the Department of Indian Affairs here to tell us how this can work, the manner in which it will work, and then they can follow through.

The Chairman: Thank you, Mr. Gleave. Mr. Danforth.

• 1100

Mr. Danforth: Mr. Chairman, I am quite in sympathy with the intent that Mr. Gleave is showing in requesting that this further witness be provided for the Committee, but may I suggest for the consideration of all members present that this is a matter that might perhaps be settled by the Steering Committee, of which Mr. Gleave is a member. We may have other requests for witnesses in the consideration of this particular Bill and maybe we can stand the amendment until we have had time to deliberate on it.

Then discussion of the various amendments as they come up or motions of this type will not interfere with the proceedings of the Committee. Perhaps when we run into something like this we can stand it and

[Interprétation]

M. Gleave: Voici. Les questions que M. Whicher a soulevées sont justement celles auxquelles nous voulons des réponses, soit la façon dont ces prêts seraient consentis en ce qui concerne le ministère des Affaires indiennes; leur façon de procéder; quelles responsabilités ils peuvent assumer dans diverses circonstances; la méthode d'évaluation de la solvabilité ou de la confiance qu'inspirent la bande et ses membres; les mesures de sécurité qui seront prises.

Il s'agit d'un nouveau domaine, et certaines circonstances ont été décrites à la Chambre, par le député de Régina-Est qui a mentionné des délais, dans les prêts aux Indiens qui empêchent d'exploiter efficacement.

Il y a un manque de confiance de la part des Indiens envers notre façon d'agir, non pas en ce qui concerne l'application de ce Bill, parce qu'il n'est pas encore entré en vigueur, mais envers le ministère des Affaires indiennes et la façon dont le ministère fonctionne. Et si l'on s'en remet à M. Allan Clark, le directeur exécutif adjoint de l'*Indian-Eskimos Association of Ontario*, qui a dit dans le *Globe and Mail* que les Indiens se sentent frustrés de toute part et que le ministère des Affaires indiennes et du développement du Nord canadien est une institution bureaucratique tout à fait inefficace.

J'aimerais savoir comment ils vont s'associer et jusqu'où ils iront, s'ils seront plus flexibles et plus efficaces qu'ils ne l'ont été jusqu'ici. Cette modification a été proposée un peu à la course, pour résoudre une situation qui tombe sous le coup de la Loi. Je suis tout à fait d'accord avec cette modification, mais j'aimerais que les représentants du ministère des Affaires indiennes viennent nous dire comment elle peut s'appliquer, la façon dont on peut l'appliquer, et ainsi de suite.

Le président: Merci monsieur Gleave. Monsieur Danforth.

M. Danforth: Je suis tout à fait d'accord avec ce que dit M. Gleave, mais j'aimerais demander à tous les députés présents si ce n'est pas une question qu'on pourrait soumettre au Comité directeur dont M. Gleave fait partie. Nous aurons peut-être d'autres demandes pour faire venir des témoins au cours de l'étude de ce projet de loi. Nous pourrions réserver la modification jusqu'à ce que nous ayons le temps d'y penser.

La discussion des motions de ce genre à mesure qu'elles sont présentées ne nuirait pas au travail du Comité. Je propose que nous réservions ces amendements jusqu'à ce que le comité directeur ait rendu sa

[Text]

leave it to the discretion of the Steering Committee to make a determination on it. I am sure this would meet with Mr. Gleave's approval, and it would not preclude us carrying on today, rather than getting into the machinery of a debate on a particular motion.

The Chairman: Mr. Gleave, would you be prepared to withdraw the motion providing the Steering Committee could meet and consider it?

Mr. Gleave: Yes, I think that is a reasonable approach. The Steering Committee could look at it and, as Mr. Danforth says, there may be other considerations, and other people who would want to look at it.

The Chairman: Thank you. Your motion is withdrawn. I recognize Mr. Korchinski.

Mr. Gleave: I do not know if it is withdrawn, but the motion can stand and await a decision of the Steering Committee. Is that acceptable, Mr. Chairman?

The Chairman: I think it would be better to withdraw it and then, after the Steering Committee meets, you may wish to present a new motion or this same motion. I think when we start standing motions we are getting into a difficult area. Since you are agreeable to withdrawing it, you may have the opportunity of presenting a new motion or the same motion at a later time.

Mr. Muir (Lisgar): Could this be done under another clause?

Mr. Whicher: It can be done anytime.

Mr. Peters: Mr. Chairman, on a point of order. If it is withdrawn and this clause is passed, it obviously cannot be re-introduced.

The Chairman: No, that will be before the Committee. In other words, I have a number of members who wish to speak on this particular clause and on the amendment in particular. If we could hear those questioners, then the Committee will decide whether the clause should stand until another meeting or what the action of the Committee will be.

Mr. Gleave: Well, I think you could decide that now, Mr. Chairman. It was your request that the matter stand until such time as the Steering Committee had a look at it. Now, if you permit this clause to be moved and carried . . .

The Chairman: I have not asked that.

Mr. Gleave: No, but are you going to?

An hon. Member: He cannot ask that until you withdraw your motion.

[Interpretation]

décision. Je pense que cela pourrait satisfaire M. Gleave et cela ne nous empêcherait pas de continuer notre travail plutôt que d'entrer dans un débat sur une motion en particulier.

Le président: Monsieur Gleave, est-ce que vous êtes d'accord pour retirer votre motion pour que le comité directeur l'étudie?

M. Gleave: Oui, je pense que c'est une méthode très valable. Le comité directeur pourrait étudier la question et, comme le suggère M. Danforth, d'autres personnes pourraient vouloir l'étudier également.

Le président: Donc, la motion est retirée. M. Korchinski a la parole.

M. Gleave: Peut-être pas retirée, mais réservée en attendant la décision du comité directeur. Est-ce que vous êtes d'accord, monsieur le président?

Le président: Je pense qu'il serait préférable de la retirer. Lorsque le comité directeur se sera réuni, vous voudrez peut-être déposer cette même motion, une nouvelle fois, ou en déposer une autre. Je crois que si nous commençons à réserver des motions, nous risquons de nous créer des problèmes. Puisque vous acceptez de la retirer, vous pourriez la soumettre plus tard, ou en soumettre une autre.

M. Muir (Lisgar): Est-ce qu'elle peut l'être lors de l'étude de n'importe quel article?

M. Whicher: A n'importe quel moment.

M. Peters: Monsieur le président, si la motion est retirée et que l'article est approuvé, la motion ne pourra plus être soumise.

Le président: Non. Un certain nombre de membres veulent prendre la parole sur cet article et sur l'amendement lui-même. Écoutons ce qu'ils ont à dire, puis le Comité décidera si la motion doit être réservée jusqu'à la prochaine séance ou quelle doit être l'attitude du Comité.

M. Gleave: Je crois que vous pourriez décider dès maintenant, monsieur le président. C'est vous qui avez demandé que la question soit réservée jusqu'à ce que le comité directeur puisse étudier la chose. Si vous permettez que l'article soit soumis et adopté . . .

Le président: Je n'ai pas demandé cela.

M. Gleave: Est-ce que vous allez le faire?

Une voix: Il ne peut le faire tant que la motion n'est pas retirée.

[Texte]

The Chairman: I should assure you that I will not ask the Committee to approve Clause 3 until after that opportunity has been provided.

Mr. Gleave: Thank you.

The Chairman: Now, I want to recognize Mr. Korchinski for general questioning of the witnesses.

Mr. Korchinski: I have several questions I want to ask which might properly be asked at the time a member of the Indian Affairs Committee is here. I have other questions, but I will await the disposal of that motion later on.

I want to ask several other questions. I have a question in regard to what seems to be some gobbledegook on page 2, subclause (4). Perhaps the wording has some significance. It reads:

...the number of such members not principally so occupied, the number of such members not principally so occupied shall be deemed to be one less than the number principally so occupied.

I am wondering what the significance of that is. Why is it necessary to have fewer members not participating? Will somebody explain that?

The Chairman: Mr. Owen?

Mr. Owen: I would agree with you in so far as the wording is concerned. It is really intended to accomplish a particular purpose.

● 1105

A normal syndicate, that is, a syndicate which is not on a reserve, must be composed of persons all of whom are engaged in farming and the majority of whom have farming as their principal occupation. Now, when we come to deal with an Indian band, there will obviously be some persons in the band who are not engaged in farming.

There may be others who are engaged in farming but it is not their principal occupation and these, amongst them, may constitute the majority; so the majority of the members of the band would not be principally occupied in farming. In this clause we are trying to set the maximum amount that we can lend to a syndicate or to a band.

Now, for a normal syndicate off a reserve, it is the number of members of the syndicate multiplied by \$15,000 up to a maximum of \$100,000, but in those numbers the majority must be principally occupied in farming. So in calculating the maximum amount which we may lend to a band, we take the number of members of the band who are principally engaged in farming, and we can add to it others who are engaged in farming but for whom farming is not their principal occupation, up to the amount where there is one less than the other. So, in setting the limit and determining

[Interprétation]

Le président: Je veux assurer le Comité que je ne lui demanderai pas d'approuver l'article 3 tant que cette occasion n'aurait pas été donnée.

M. Gleave: Merci.

Le président: Maintenant, M. Korchinski a une question d'ordre général à poser.

M. Korchinski: Je désire poser un certain nombre de questions mais il serait préférable que je les pose en présence d'un membre du Comité des affaires indiennes. J'ai également d'autres questions. L'une porte sur ce qui me semble être du jargon administratif, au paragraphe 4, à la page 2. Le texte veut peut-être dire quelque chose. Il y est dit que:

Le nombre de membres qui n'ont pas pour principale occupation l'agriculture doit être inférieur de un à ceux dont c'est la principale occupation.

Je me demande ce que tout ceci veut dire. Pourquoi est-il nécessaire que moins de membres n'y participent pas? Quelqu'un peut-il m'expliquer?

Le président: Monsieur Owen? M. Owen:

M. Owen: Je suis parfaitement d'accord avec vous au sujet du texte. Ce que l'on veut, c'est atteindre un but bien précis. Un syndicat normal, c'est-à-dire un syndicat qui n'est pas sur une réserve, doit se composer de personnes qui toutes s'occupent d'agriculture et dont la majorité d'entre elles s'occupe principalement d'agriculture. Dans le cas des bandes indiennes, il y a évidemment des personnes qui ne font pas d'agriculture.

Il y en aura peut-être d'autres qui font de l'agriculture mais dont ce n'est pas la principale occupation et qui peuvent représenter la majorité. Autrement dit, la majorité des membres de la bande ne s'occuperait pas principalement d'agriculture. Dans cet article-ci, ce que nous cherchons à faire c'est de fixer un maximum que l'on peut prêter à un syndicat ou à une bande.

Lorsque vous avez un syndicat hors d'une réserve, le maximum s'obtient en multipliant le nombre de membres du syndicat par \$15,000 jusqu'à concurrence de \$100,000. Mais, il faut que la majorité d'entre eux s'occupe principalement d'agriculture. Donc, lorsque nous calculons ce montant qui peut être prêté, nous calculons le nombre de membres de la bande dont la principale occupation est l'agriculture et nous pouvons y ajouter d'autres membres qui s'occupent d'agriculture mais dont ce n'est pas la principale occupation, jusqu'à ce que le nombre de personnes de ce deuxième groupe soit inférieur de 1 à celui du premier groupe. Donc nous nous basons sur le nombre de gens qui s'occupent principalement d'agriculture, en ajoutant un nombre plus petit d'autres gens qui peuvent

[Text]

the number, we are basing it on the number principally occupied in farming plus some lesser number who may be engaged in farming.

Now, my explanation is probably just as much gobbledegook as the clause itself, but that is what we are trying to do. We are really trying to make this setting of the maximum be precisely on the same basis as for other syndicates.

Mr. Korchinski: This goes right back to what we were discussing the other day, that is, the wording of this amendment and the selection of the word "band". I think it is entirely wrong and it tends to confuse the whole issue here. This is typical of the confusion that is going to result among the members of the Indian bands. Here we are using the word "band" when really the word has several meanings. At the same time, it is quite obvious that those who are charged with the responsibility of interpreting this are going to have difficulties. I do not know why we could not have used another word than "band".

Mr. Whicher: That is the legal term.

Mr. Korchinski: I understand. That is the explanation that was given for this.

Mr. Whicher: Put the word "municipality" in there and you would get the same thing.

Mr. Korchinski: That is the point. This tends to confuse the thing, because every Indian knows the meaning of the word "band", but how does he interpret the band, in the case of the farm syndicate, to mean something different than a band? This is how confusing it is to me, at least.

Mr. Owen: I do not see why he need confuse it. In effect, we can have on the reserves, syndicates made up of groups of Indians who are farming, or the band itself can be called a syndicate if the band is farming.

Mr. Korchinski: If the entire band is farming. But here you are using such phrases as "there will be fewer members principally or more members principally occupied in agriculture than not occupied", simply because you are trying to overcome this difficulty created by the word "band". I wonder whether it might not be advisable to have another look at that clause. I imagine you have looked at it long and hard, but maybe one more look might just produce something that will not cause confusion later on, not only within the Department or the Corporation, but within the Department of Indian Affairs as well. I am at a loss here.

Mr. Owen: Well, I suppose it is because we recognize these words here as being purely designed to set the

[Interpretation]

également s'occuper d'agriculture. Mon explication est peut-être aussi compliquée que le texte lui-même, mais c'est tout ce que je pouvais vous dire. Ce que nous voulons, c'est que le maximum soit fixé sur la même base que dans le cas des autres syndicats.

M. Korchinski: Alors, là nous en revenons à ce que nous disions l'autre jour, c'est-à-dire, dans le libellé de cet amendement et dans le choix du mot «bande». Je pense que c'est là une erreur et que ça complique les choses. Cela est caractéristique de la confusion qui risque de résulter de ce texte, chez les bandes indiennes elles-mêmes. Nous utilisons le mot «bande» alors qu'il a plusieurs sens. Il est évident que ceux qui sont chargés d'interpréter ce texte vont avoir des difficultés. Personnellement, je ne vois vraiment pas pourquoi on ne pourrait pas utiliser un autre terme que «bande».

M. Whicher: C'est un terme juridique.

M. Korchinski: Oui, je comprends très bien. C'est l'explication qu'on nous a déjà donnée.

M. Whicher: Mettez le mot «municipalité» et vous aurez exactement la même situation.

M. Korchinski: Cela n'a pour résultat que de compliquer les choses parce que chaque Indien connaît le sens du mot «bande» mais comment va-t-il l'interpréter ici, pour lui donner un sens autre que celui de bande? C'est très confus pour moi, en tout cas.

M. Owen: Je ne vois pas pourquoi il y aurait confusion. Il est possible, sur les réserves, d'avoir des syndicats formés d'Indiens qui s'occupent d'agriculture ou bien la bande elle-même peut s'appeler syndicat, si elle fait de l'agriculture.

M. Korchinski: Si c'est l'ensemble de la bande qui fait de l'agriculture, d'accord. Mais, ici vous utilisez des expressions comme celle-ci: «Il y aura moins de membres ou plus de membres dont la principale occupation est l'agriculture que de membres dont ce n'est pas la principale occupation», simplement parce que vous essayez de surmonter les difficultés que pose le mot bande. Alors, je me demande s'il ne serait pas souhaitable de revoir cet article. Je suis persuadé que vous l'avez étudié de très près, mais malgré tout, si vous vouliez l'étudier encore une fois, je me demande si ça ne permettrait pas de supprimer ces difficultés qui risquent de surgir non seulement au ministère et à la Société mais également au ministère des Affaires indiennes.

M. Owen: Je suppose que c'est parce que nous considérons que ces termes n'ont pour but que de

[Texte]

maximum amount we can lend to a band, and it seems to us that even though the wording looks to be pretty roundabout, the meaning to us is quite clear and quite straightforward and we have no difficulty interpreting it. This wording is purely to set the maximum amount a band may borrow.

● 1110

Mr. Korchinski: In this case when you use the word "band", are you referring to \$100,000 loaned to a group that are located in a certain bloc of land, or are you referring to one syndicate?

Mr. Owen: We are referring to the band itself as defined in the Indian Act.

Mr. Korchinski: Was there not an explanation given to us the other day that there could be more than \$100,000, in effect, loaned to a band? Each band, in effect, is regarded as a syndicate for the purposes of this.

Mr. Olson: It may be loaned to farmers who are in the band, but not to the band itself, the legal entity of the band. This is in here for the purpose of being helpful, so that if there is no other legal arrangement, either corporation, co-operative, or other, the band itself can in fact be the legal entity that can borrow the money. There is a maximum the same as any other loan, but there could be other organizations, syndicates, farm corporations, co-operatives, or an agreement between individuals, that would make up a syndicate, that could also borrow. We are just talking about the band when the band itself, in its own name, makes the loan.

Mr. Korchinski: Say, for example, the Cote Reserve is entitled to \$100,000.

Mr. Olson: A maximum of \$100,000.

Mr. Korchinski: That is if the band itself makes a loan, in the case where they farm together as a band. Now, if there are individuals within that reserve, could they get another loan, apart from this \$100,000?

Mr. Olson: Yes, if they formed themselves into a syndicate which had another agreement that was attached to the Minister of Indian Affairs for his agreement, that would be acceptable for another loan.

Mr. Gleave: Could I ask a supplementary, Mr. Chairman. The Minister has explained this before and I appreciate this, but one thing that has eluded me is this. The band as such has committed the resources of the band and it would be the total resources to the tune of x amount. It might be \$50,000 or \$100,000. How then are other individual groups in that band going to commit their resources again? The whole thing is held as a whole. How do you get around this?

[Interprétation]

fixer le montant maximum qui peut être prêté à une bande et même si le texte semble être un petit peu vague, pour nous, il s'agit de quelque chose de très clair, et nous n'avons aucune difficulté à l'interpréter et ce texte-ci n'a pour but que de fixer le maximum qu'une bande peut emprunter.

M. Korchinski: Lorsque vous parlez de bande, parlez-vous de personnes qui se trouvent dans une même bande ou bien d'un syndicat?

M. Owen: Nous parlons de bande, de la bande telle qu'elle est définie dans la Loi sur les Indiens.

M. Korchinski: Est-ce qu'on ne nous a pas dit l'autre jour qu'il pourrait y avoir plus de \$100,000, en fait, qui soient prêtés à une bande. De fait, chaque bande est considérée comme un syndicat.

M. Olson: Ça peut être prêté à des agriculteurs qui sont dans la bande mais pas à la bande elle-même, pas à la bande en tant qu'entité légale. Le seul but de ce texte, c'est de faciliter les choses, de sorte que s'il n'existe aucune société ou coopérative, par exemple, la bande elle-même peut emprunter l'argent. Et là, le maximum est le même que pour n'importe quel autre prêt. D'autres organismes, syndicats, sociétés, coopératives ou des individus qui ont conclu une entente peuvent former un syndicat et emprunter. Nous ne parlons ici que de la bande lorsqu'elle emprunte en son nom propre.

M. Korchinski: Supposons que la réserve Cote a droit à \$100,000.

M. Olson: A un maximum de \$100,000.

M. Korchinski: Si c'est la bande elle-même qui fait l'emprunt, dans le cas où l'exploitation agricole se fait par la bande en commun. Mais s'il y a des agriculteurs individuels dans la réserve, pourraient-ils obtenir un autre prêt, en plus de ces \$100,000?

M. Olson: Oui, s'ils se constituent eux-mêmes en un syndicat qui ait une autre entente avec le ministre des Affaires indiennes, ils peuvent obtenir un autre prêt.

M. Gleave: Monsieur le président, j'ai une question supplémentaire à poser. Le ministre nous a déjà expliqué cela et j'ai bien saisi, mais il y a une chose que je ne comprends pas. La bande en tant que telle a engagé les ressources de cette bande, et il s'agirait des ressources totales jusqu'à un montant X . Supposons que ce montant soit de \$50,000 ou de \$100,000. Comment d'autres groupes individuels de cette bande peuvent-ils alors engager leurs ressources à nouveau? L'ensemble des ressources est engagé. Comment évitez-vous cet écueil?

[Text]

Mr. Olson: There are two answers to that question. One is that I cannot possibly envisage any case where the band could commit the total resources of the Indian reservation, because of course they cannot do it. But the other point is that we start off in this clause, with 3A. (1), subclause (1), that we may enter into and indeed we must enter into an agreement with the Minister of Indian Affairs and Northern Development, as a substitute if you like or in lieu of the other kinds of security that we can take from people who can in fact give security on land and that sort of thing, land or anything else for that matter.

There are two matters here. This would be on agreement with the Minister of Indian Affairs and Northern Development that would be tantamount to a guarantee. So there is no problem in my mind as far as the Corporation is concerned. If we get the agreements from the Minister of Indian Affairs to make these loans, it is not a case of having more than one entity on the reservation committing the same assets.

Mr. Gleave: A supplementary to that, if I may pursue it. It seems to me—and this is one reason I wanted the Department of Indian Affairs and Northern Development to come before this Committee, because some of these points should be cleared up—if the administrator on the reserve says to the Farm Credit Corporation that they will pledge what is on this reserve, it is the earning power of the reserve that is being pledged.

Mr. Olson: They do not pledge the reserve.

Mr. Gleave: No, I know they do not pledge a reserve because they cannot.

Mr. Olson: That is right.

Mr. Gleave: But they pledge the earning power.

Mr. Whicher: No. They pledge an endorsement by the Department of Indian Affairs.

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Mr. Gleave: All right, but I do not care whether it is an Indian reserve, or a farm, or what ever it is. What you are really working on in the final analysis is the earning power. That is what the Chairman of the Farm Credit Corporation and his people are interested in, in every case, the earning power of the unit they are dealing with. I think the Chairman would agree with me. No one ever wants the assets. The Farm Credit Corporation never wants the assets: they want the earning power.

Mr. Olson: I think, Mr. Gleave has just raised the best possible argument for not calling someone from the Department of Indian Affairs to this Committee to

[Interpretation]

M. Olson: Il y a deux réponses à cela. Tout d'abord, on ne peut pas envisager de cas où la bande engagerait la totalité des ressources de la réserve indienne, car cela lui est impossible. D'autre part, nous commençons dans cet article par 3 A) (1), où il est dit que nous pouvons, et même devons, passer un accord avec le ministre des Affaires indiennes et du Nord canadien, à la place des autres genres de garanties que nous pouvons obtenir des gens qui peuvent en fait donner une garantie sur leur terre ou autre.

Il y a là deux points. Cela se ferait en accord avec le ministre des Affaires indiennes et du Nord canadien, ce qui équivaldrait à une garantie. Il n'y a donc à mon avis aucune difficulté du point de vue de la Société. Si nous obtenons l'accord du ministre des Affaires indiennes pour que ces prêts soient accordés, il n'est plus question que plus d'un groupe de la réserve engage les mêmes ressources.

M. Gleave: Une question supplémentaire, si je peux poursuivre. Il me semble, (et c'est pour cette raison entre autres, que j'aurais voulu que des représentants du ministère des Affaires indiennes et du Nord canadien viennent témoigner ici, car nous devrions avoir des éclaircissements sur certains de ces points) il me semble, dis-je, que si l'administrateur de la réserve dit à la Société du crédit agricole qu'il va engager ce qui est sur la réserve, ce sont les gains possibles de la réserve qu'il engage.

M. Olson: Il n'engage pas la réserve.

M. Gleave: Non, je sais bien qu'il n'engage pas la réserve, car il ne peut pas le faire.

M. Olson: C'est exact.

M. Gleave: Mais il engage les gains possibles.

M. Whicher: Non. Il engage une garantie du ministère des Affaires indiennes.

M. Gleave: Entendu, mais peu m'importe s'il s'agit d'une réserve indienne, d'une entreprise agricole ou de quoi que ce soit. Ce dont on s'occupe vraiment, en fin de compte, c'est des gains possibles. C'est là ce que le président de la Société du crédit agricole et ses fonctionnaires cherchent à savoir dans chaque cas: ce que sont les possibilités de gain du groupe en cause. Je pense que le président serait bien de mon avis. Ce n'est pas l'actif dont on s'occupe. Ce n'est pas ce que cherche la Société du crédit agricole: elle veut connaître les possibilités de gain.

M. Olson: Je pense que M. Gleave vient de donner le meilleur argument que l'on puisse avancer pour ne pas demander à quelqu'un du ministère des Affaires

[Texte]

settle all these details of what kind of an agreement they are going to get into with us. All that this bill is asking is that we have the authority to make the loans if we get an agreement with the Minister of Indian Affairs. And surely that is for the Department of Indian Affairs, the Committee on Indian affairs, to settle, namely what Indian policy is, so that they can give the agreement or the various kinds of agreements that we would need for security.

The Chairman: I want to recognize Mr. Barrett.

Mr. Korchinski: Mr Chairman, I had not quite completed some of the questions I had in mind.

The Chairman: Would you permit a supplementary?

Mr. Korchinski: Well, sure.

Mr. Whelan: Mr. Chairman, will you permit a point of order. I am a little confused. You already stood this amendment, yet you go on discussing it right and left. What did you stand?

The Chairman: I beg you pardon, Mr. Whelan, we stood or withdrew the motion. We are now considering the amendment which was before the Committee last week. It is still before the Committee. Mr. Barrett.

Mr. Barrett: As a point of interest, how many, or would there be an educated guess of how many Indians there are in this country who are bona fide farmers? Is there such an answer? There do not happen to be any in my riding. I am just wondering—this is a point of interest?

Mr. Olson: Mr. Chairman, there are quite a number, but I do not think we have any statistics with us that would give an indication of how many Indians there are who are principally occupied in farming.

Mr. Owen: I might say there are a significant number of acres of land on Indian reserves that are being farmed. There is some uncertainty as to how many are being farmed by who, and who holds title to them, so that the statistics would be rather difficult to compile. But one of the things that would be done in the course of lending is to try to regulate the security of tenure for the operators. That is under the other Act, the farm credit act, of course, to ensure that the borrower has security of tenure on this land that he is farming, and that it is enough to have the earning power to pay us back.

Mr. Chairman, I wonder if I might say something which I think might solve some of the misunderstanding with respect to this lending to a band.

[Interprétation]

indiennes de comparaître devant le Comité pour décider de tous ces détails sur le genre de contrat qu'ils doivent passer avec nous. Tout ce que demande le bill, c'est de nous donner la possibilité d'accorder le prêt si le ministère des Affaires indiennes est d'accord. Assurément, c'est au ministère des Affaires indiennes, au Comité des affaires indiennes de décider de ce qu'est la politique indienne, afin précisément de pouvoir donner l'accord ou les divers genres d'accords dont nous aurions besoin comme garantie.

Le Président: Je donne la parole à M. Barrett.

M. Korchinski: Monsieur le président, je n'avais pas terminé les questions que je voulais poser.

Le Président: Permettriez-vous une question supplémentaire?

M. Korchinski: Oui, bien sûr.

M. Whelan: Permettez-moi un rappel au Règlement. Je ne comprends pas très bien. Vous avez déjà réservé cette modification et vous continuez à la discuter à qui mieux mieux. Qu'est-ce que vous avez réservé, alors?

Le président: Excusez-moi, monsieur Whelan, c'est la motion que nous avons réservée ou retirée. Maintenant, nous étudions la modification proposée au Comité la semaine dernière, et dont nous sommes toujours saisis. Monsieur Barrett.

M. Barrett: Par pure curiosité, combien y a-t-il d'Indiens dans ce pays à votre avis, qui soient des agriculteurs à proprement parler? Il n'y en a pas dans ma circonscription. Je me pose la question, par curiosité.

M. Olson: Il y en a un assez grand nombre, monsieur le président, mais je ne pense pas que nous ayons ici de données statistiques officielles qui puissent nous indiquer le nombre d'Indiens qui s'occupent principalement d'agriculture.

M. Owen: Il y a un grand nombre d'acres de terrain cultivées dans les réserves indiennes. On ne sait pas exactement qui cultive quoi, et qui en est le propriétaire, et par conséquent, il est assez difficile de rassembler des données statistiques.

Mais lorsque nous faisons un prêt, il y a une chose que nous cherchons à faire, c'est de réglementer la garantie de bail pour les exploitants. Cela se fait en vertu de l'autre loi, de la Loi sur le crédit agricole, évidemment, pour nous assurer que l'emprunteur a une garantie de bail sur la terre qu'il exploite, et qu'elle est suffisante pour qu'il ait les possibilités de gain nécessaires pour vous rembourser.

Monsieur le président, je voudrais peut-être ajouter quelque chose qui, peut-être, permettra d'éclaircir certains points en ce qui concerne les prêts aux bandes.

[Text]

The Chairman: If you can, I think you should have the opportunity.

Mr. Owen: I would like to say that the loan to the band itself is made when the band itself is conducting farming operations, and that loan is based on the farming operations of the band. This is quite distinct from those farming operations that may be carried on by individual members of the band in their own right. And this is why there are provisions for lending directly to the band, because in some cases the bands carry out the operation themselves through the band council.

If you would like to get an understanding of this wording on the second page of the amendment to Clause 2, I could give you an example. Let us say that there is a band of 10 members, and of these 10 members there are three who are principally occupied in farming, and seven who may be engaged in farming with other occupations as well, or not engaged in farming at all. But there are three of the 10 who are engaged in farming. In using this formula, as outlined in Subclause (4), we find that there are three principally occupied in farming and as long as there are at least two who are engaged in farming, we can add those two and the number then is five and we can multiply that by \$15,000 and that means that the maximum loan to than band could be \$75,000.

Mr. Williams: But even if the seven were all engaged in farming, but not principally, you could not go up to a total of \$100,000. The maximum still would be five under this section, in order to conform with the other part of the law that in fact says that the majority must have as a principal occupation, farming.

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The Chairman: We return to you, Mr. Korchinski.

Mr. Korchinski: Well, you will be charged with the responsibility of working that one out.

I want to ask what the Department's attitude is going to be in regard to payments. If, for example, you find that the payment cannot be made in one particular year, is the Department, or the Corporation, then going to turn to the Indian Affairs Department and say, "You have got to make your payments this year". Or are they going to be allowed the same latitude as others who are in default, for one reason or another, in the course of one year?

Mr. Owen: It would be our intention to deal with borrowers from an Indian reserve with respect to repayments precisely the same way as we would with any syndicate anywhere. The only difference is that if

[Interpretation]

Le président: Si vous pouvez le faire, allez-y je vous en prie.

M. Olson: Je voudrais vous dire que le prêt à la bande elle-même est accordé lorsque la bande elle-même s'occupe d'agriculture, et que ce prêt dépend de l'exploitation agricole de la bande. Cela est entièrement distinct des activités agricoles auxquelles peuvent se livrer, de leur propre chef, des membres individuels de la bande. C'est pour cette raison qu'il est prévu de prêter directement à la bande, car, dans certains cas, c'est la bande qui se livre elle-même à l'exploitation, par l'entremise du conseil de la bande.

Si vous voulez comprendre un peu mieux l'énoncé, à la page 2, de la modification à l'article 2, je vais vous donner un exemple. Supposons qu'il y ait une bande de 10 membres, et que, de ces 10 membres, il y en ait trois qui s'occupent principalement d'agriculture, et sept qui s'occupent d'agriculture mais aient aussi d'autres occupations, ou qui ne s'occupent pas du tout d'agriculture. Donc, il y en a trois sur les dix qui s'occupent d'agriculture. Avec la formule que nous avons, celle qui est donnée au paragraphe (4), nous voyons qu'il y a trois personnes qui s'occupent principalement d'agriculture, et, tant qu'il y en a au moins deux qui se livrent à l'agriculture, on peut ajouter deux au nombre précédent, ce qui donne un total de cinq; nous pouvons multiplier cela par \$15,000, ce qui fait que le montant maximum qui puisse être prêté à cette bande est de \$75,000.

M. Williams: Mais même si tous les sept s'occupaient d'agriculture, mais sans s'en occuper principalement, on ne pourrait pas arriver à un total de \$100,000. Le maximum serait tout de même cinq personnes en vertu de cet article, pour se conformer à l'autre partie de la loi, qui dit en fait que la majorité doit s'occuper d'agriculture principalement.

Le président: Monsieur Korchinski, si vous voulez reprendre la parole.

M. Korchinski: Eh bien, c'est vous qui serez chargé de tirer les choses au clair.

Je voudrais savoir quelle sera l'attitude du ministère en ce qui concerne les versements. Si, par exemple, vous constatez que l'on ne peut pas effectuer les versements dans une année donnée, est-ce que le ministère, ou la Société va se tourner vers le ministère des Affaires indiennes et dire: "Il vous faut faire les versements cette année". Ou bien, va-t-on leur donner la même latitude qu'aux autres personnes dont les versements sont en faute, pour une raison ou une autre, au cours d'une année?

M. Owen: Disons que nous allons procéder avec les Indiens des réserves, en ce qui concerne le remboursement des prêts, de la même manière qu'avec n'importe quel autre syndicat. La seule différence, c'est

[Texte]

we did get to the point where we wished to foreclose on some assets, in place of doing this we depend upon this guarantee from the Minister of Indian Affairs. But as far as the normal handling of collections is concerned it would be just the same as we would deal with any other department or any other syndicate.

Mr. Korchinski: Then the only time that the Department of Indian Affairs and Northern Development would have to guarantee it is at the time you are foreclosing. In other words, suppose there were a couple of years of arrears and suddenly the Corporation says, we have to have some payment here. Do they turn to the Department of Indian Affairs even though they may have another 10 years to run in the course of their agreement?

Mr. Owen: If the situation were such that with any other syndicate we would start foreclosure action, in this case we would go to the Minister of Indian Affairs and Northern Development.

Mr. Korchinski: In the event that there is a dissolution or an imminent foreclosure, who gets the prior claim on any of these assets? Does the Corporation get it or any other creditors that may be standing in line?

For example, if you put up a building and that building happens to have additions and alterations to it over the years, there may be other creditors; or the setup looks like a productive one so he is advanced a certain amount of credit. If the credit builds up and at the same time payments are not made to the Corporation, who has prior claim at the time of disposal of the property? Does the Farm Credit Corporation get first claim, or do the other creditors?

Mr. Owen: Could you tell me whether you are referring to property on the reserves, or property ...

Mr. Korchinski: For whatever reasons the syndicate may be set up. There may be various reasons why the syndicate is formed.

Mr. Olson: Mr. Chairman, if you are referring specifically to this Clause 3 (a), I cannot think of any situation where anyone else could get security in the assets on the reservation other than by agreement with the Minister of Indian Affairs and Northern Development. There is no way for anyone to have prior or any other kind of claim on those assets.

Mr. Korchinski: In the case of machinery suppose somebody had advanced a certain amount of repairs for the machinery.

Mr. Whicher: You cannot do it.

Mr. Korchinski: This is the question I am raising. If, for example, it is a tractor—a Caterpillar, if you

[Interprétation]

que, si nous en arrivions au point de vouloir saisir certaines possessions, au lieu de cela, nous nous fierions à la garantie du ministre des Affaires indiennes. Mais en ce qui concerne le traitement normal des perceptions, on agirait comme avec n'importe quel autre ministère ou syndicat.

M. Korchinski: Par conséquent, le seul temps où le ministère des Affaires indiennes et du Nord canadien devrait donner leur garantie, c'est au moment de la forclusion. Autrement dit, si la Société voulait les forcer à rembourser deux années d'arriérés par exemple, s'adressent-ils au ministère des Affaires indiennes même s'il y a encore dix ans avant la fin de leur contrat?

M. Owen: Si la situation était la même que pour n'importe quel autre syndicat, on devrait commencer la forclusion et on se tournerait à ce moment-là vers le ministère des Affaires indiennes et du Nord canadien.

M. Korchinski: Maintenant, s'il y a une dissolution ou une forclusion imminente, qui alors touche d'abord sa part des actifs saisis? Est-ce que c'est la Société ou quelque autre créancier en ligne?

Par exemple, vous construisez un bâtiment et le bâtiment doit être agrandi et modifié au cours des années, il y a peut-être d'autres créanciers; ou l'affaire semble marcher très bien et on lui accorde un certain crédit. Si le crédit est accordé et alors les versements ne sont pas faits à la Société, alors qui a le premier droit lorsque la propriété est vendue? Est-ce que c'est la Société du crédit agricole ou qui d'autre?

M. Owen: Pourriez-vous me dire si vous parlez alors de biens dans les réserves ou de biens. . .

M. Korchinski: Quelle que soit la raison de l'établissement du syndicat. Il peut y avoir plusieurs raisons.

M. Olson: Monsieur le président, si vous faites allusion principalement à cet article 3 a), je n'envisage aucune situation où ce soit quelqu'un d'autre qui obtiendrait la garantie des actifs de la réserve en dehors d'un accord passé avec le ministère des Affaires indiennes et du Nord canadien parce que personne ne peut le faire, que ce soit maintenant, après ou pour n'importe quelle autre situation.

M. Korchinski: Non, mais supposons, par exemple, qu'il s'agisse de machines et qu'une personne ait avancé des frais pour les réparations des machines.

M. Whicher: Vous ne pouvez pas le faire.

M. Korchinski: Voilà la question que je soulève. S'il s'agit, par exemple, d'un tracteur, d'un caterpillar,

[Text]

like—and there were several thousand dollars worth of repairs on it, and over the years everything was going fine and payments were made, but then all suddenly everything fell apart. What happens then? Who gets prior claim?

Mr. Whicher: Anyone who sells under those conditions will be out of business very shortly, I will tell you that.

Mr. Olson: Mr. Chairman, we are having a great deal of difficulty here because I think Mr. Korchinski is confusing rights and claims and that sort of thing, in so far as security is concerned, to Indians and to other situations. No one can have a claim of any kind against assets on an Indian reserve unless they have it with an agreement with the Minister of Indian Affairs and Northern Development. They are not attachable, whether you sold repairs or anything else.

Mr. Korchinski: The Corporation has a claim on this property.

Mr. Olson: No, we do not. We will not have any kind of claim on the property on the reservation, and that is why in Clause 3 we have said:

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...the Corporation may enter into an agreement with the Minister of Indian Affairs and Northern Development

That is our security—not the claim on the land or the buildings or anything else.

Mr. Whicher: Or the machinery.

The Chairman: I recognize Mr. Douglas, then Mr. Downey and Mr. Moore?

Mr. Douglas: My question, Mr. Chairman, was on Clause 3, but it is not necessarily on this amendment. I do not think we are restricted to the amendment, are we?

The Chairman: No, we are not restricted.

Mr. Douglas: The only question I wanted to ask was about the definition of farm machinery and the limitation which says that it shall be primarily used for farm operations. It is subclause (1) of Clause 3:

for use primarily by the syndicate or its members in their farming operations.

I am thinking of such things as grain dryers which may be used more for custom work than for the syndicate's own operations. Do you have any difficulties in here in defining farm machinery, or primarily for farms?

[Interpretation]

disons, et qu'il y ait plusieurs milliers de dollars de réparation, et qu'avec les ans, tout va bien, tout est remboursé automatiquement, puis brusquement ça ne va pas et la machine tombe en morceaux? Alors qu'est-ce qui se passe? Qui a le premier droit?

M. Whicher: Eh bien, si c'est le cas, à ce moment-là l'agriculteur va faire faillite très vite.

M. Olson: En fait, monsieur le président, on a beaucoup de difficultés parce que je pense que M. Korchinski est en train de mêler les choses. Il est en train de mélanger les droits et les réclamations, etc., en ce qui concerne la garantie, à l'égard des Indiens et dans d'autres cas. En fait, personne peut demander ou revendiquer quoi que ce soit dans les actifs d'une réserve indienne à moins que ce soit fait avec l'accord du ministre des Affaires indiennes et du Nord canadien. Ce ne sont pas des choses qui sont saisissables, que vous vendiez des réparations ou autre chose.

M. Korchinski: La Société de crédit agricole a une réclamation contre ces biens.

M. Olson: Non, absolument pas. Nous n'avons pas le droit de faire une revendication des biens d'une réserve et c'est pour cette raison que nous avons dit à l'article 3:

...la société peut passer un accord avec le ministre des Affaires indiennes et du Nord canadien.

C'est notre garantie, pas un droit sur les terrains ou bâtiments ou toute autre chose.

M. Whicher: Ou les machines.

Le président: La parole est à M. Douglas, ensuite à MM. Downey et Moore.

M. Douglas: Monsieur le président, ma question portait sur l'article 3 mais ce n'est pas nécessairement sur l'amendement. Est-ce que nous sommes limités à discuter de l'amendement ou quoi?

Le président: Non, pas spécialement.

M. Douglas: La seule question que je voulais poser concernait la définition des machines agricoles et de la limite qui dit qu'elles devraient surtout servir aux travaux agricoles. C'est au paragraphe 1 de l'article 3:

lorsque ces machines ou ces terrains doivent servir principalement aux opérations d'agriculture du syndicat ou de ses membres.

Je pense à des séchoirs, notamment, qui peuvent être utilisés à forfait plutôt qu'aux travaux du syndicat. Est-ce que vous avez des difficultés à définir les machines agricoles, ou principalement aux opérations d'agriculture?

[Texte]

Mr. Owen: This does not cause us any great deal of difficulty. We have a definition in our regulations.

"Farm machinery" means machinery, implements or equipment of any kind used in the development or operation of a farm and suitable for use on a cooperative basis by members of a farm machinery syndicate.

We have this limitation in the clause that this equipment must be for use primarily by the syndicate or its members, but this does not prohibit in any way their going farther and doing custom work with it. However you can appreciate that particularly when we get into buildings, and this sort of thing, we would not be wishing to lend to a syndicate to go into a generally broad field of handling the products of all their neighbours. It is really designed primarily for farmers to get together with respect either to operating machinery or marketing their product.

Mr. Douglas: You might be called on to make some judgments on this aspect from time to time.

Mr. Owen: Yes.

Mr. Olson: I think it should be pointed out here, Mr. Chairman, that we would not like to have the rules so strict that the syndicate or its members would be in violation of the act or of the agreement if they used a piece of equipment for custom purposes or for some purpose other than strictly farming, but it is to be used primarily for that purpose before the loan is made.

The Chairman: Mr. Downey?

Mr. Downey: Mr. Chairman, it would seem to me that cattle, livestock and poultry possibly should be included in this with farm machinery because, after all, when you look at them in the light of modern farm business a cow, a sheep or anything of this nature is simply a converter of crude protein—grass or hay—to meat.

We have, I believe, a machine and a process developed that can convert soybean meal to a substitute for meat. We have a machine or an animal—I am not sure which—that the former Minister of Agriculture, I believe, developed that they call a Hayes Converter that he claims will give a ratio of eight pounds of crude protein to four pounds of meat or refined edible protein, and it would seem to me that this should be part of this clause 3.

I suppose you could say that to some extent we can buy livestock under the Farm Improvement Loans Act, but we are limited there. A syndicate might be

[Interprétation]

M. Owen: En fait, cela ne pose pas de difficultés particulières. Nous avons une définition dans nos règlements

«Machines agricoles» signifie la machinerie, les instruments aratoires ou l'équipement de tout genre utilisés dans la mise en valeur ou l'exploitation d'une ferme et qui est approprié à l'usage en commun par les membres d'un syndicat de machines agricoles.

Alors nous avons prévu une limite disant que le syndicat et ses membres doivent en être les principaux utilisateurs, mais cela ne veut pas dire que l'on ne puisse pas aller plus loin et qu'ils ne puissent pas faire des travaux sur commande. N'oubliez pas une chose, cependant, c'est que lorsqu'on entre dans des questions de construction de bâtiments de ce genre nous ne voudrions prêter à un syndicat pour qu'il s'agrandisse et s'occupe des produits de ses voisins. Il s'agit plutôt de voir les agriculteurs se grouper pour utiliser les machines en commun ou mettre leurs produits sur le marché.

M. Douglas: Vous allez peut-être devoir prendre des décisions à ce sujet. On va peut-être vous demander d'évaluer la situation à l'occasion.

M. Owen: Oh oui.

M. Olson: Monsieur le président. Je ne voudrais pas que l'on croie que le règlement soit si strict ou que le syndicat ou ses membres enfreindraient la loi ou l'accord s'ils utilisaient ce matériel pour des travaux à la tâche ou pour d'autres choses que l'agriculture. Disons que ça doit servir surtout à cette fin et surtout avant que le prêt ne soit accordé.

Le président: Monsieur Downey?

M. Downey: Maintenant, monsieur le président, il me semble que le bétail ou les volailles devraient également être associés à ce genre d'opération parce qu'après tout, quand on voit la chose à la lumière de la situation des entreprises agricoles modernes, eh bien, un mouton, une vache ou un animal de ce genre est malgré tout un élément transformateur de protéines brutes en viande.

Je pense que nous avons construit une machine qui peut transformer de la farine de soja en un produit de remplacement de la viande. Nous avons une machine ou un animal, je ne sais plus très bien, que l'ancien ministre de l'Agriculture a mis au point qu'on appelle le convertisseur Hays qui va donner un rapport de huit livres de protéines brutes pour quatre livres de viande ou de protéines comestibles et, par conséquent, je pense que cela devrait être prévu à l'article 3 de la Loi.

Bien sûr, vous pourrez dire que nous pouvons acheter des animaux en vertu de la loi sur les prêts destinés aux améliorations agricoles, mais malgré tout

[Text]

starting a feed lot operation or something of that nature and I suggest definitely they should be included here.

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Mr. Olson: Mr. Chairman, as has been pointed out there are at least two other acts, the Farm Improvement Loans Act and the Farm Credit Act, where livestock may be part of the assets that are purchased under those two Acts. This Bill is designed for making credit available for joint use or co-operative use of machinery and equipment, and the only animal I can think of that would be jointly used perhaps would be a herd sire, but it seems to me that this would be going quite a long way beyond the purposes of this particular Bill in providing for joint purchase of animals.

They may be partnerships and that sort of thing, but it is not designed for that exclusively. It is designed for partnerships and syndicates to buy equipment and buildings that are going to be used jointly in their operations, and I think the provisions of the Farm Improvement Loans Act and the Farm Credit Act are sufficient, along with all of the other credit facilities, such as they are, for the purchase of other animals which, by and large, are the full property of the individual farmer purchasing them.

Mr. Downey: I do not see why it would be necessary to limit the act in this manner. Actually it would not detract from the act if livestock were included in it, and certainly there is nothing left in the act to indicate it would necessarily need to be machinery because it is now called the Farm Syndicates Credit Act as opposed to the former Farm Machinery Syndicates Credit Act.

Mr. Olson: I can see really no purpose in joint ownership of livestock except in the one case that I mentioned. My friend is aware, Mr. Chairman, that there is \$15,000 available to each member or to each farmer to purchase livestock in his own right.

Mr. Downey: I can visualize a syndicate being formed under this bill to form a feed lot or something of this nature and they might want to go into equipment or into livestock along with this. I do not see the necessity of limiting it to this one aspect.

Mr. Olson: There is no problem about a syndicate using this act to build the facilities of a feed lot but, as I pointed out, when there is already provision under the Farm Improvement Loans Act I do not see any useful purpose in extending it to the joint ownership of livestock, notwithstanding that the facilities for that feed lot may be purchased under the provisions of this act.

[Interpretation]

il y a une limite. Un syndicat qui commencerait, par exemple, à faire de l'engraissement de bétail, devrait figurer dans cette Loi.

M. Olson: Eh bien, monsieur le président, comme il a déjà été indiqué, il y a au moins deux autres lois, la Loi sur les prêts destinés aux améliorations agricoles et la Loi sur le crédit agricole qui permettent que le bétail soit compris dans les biens achetés en vertu de ces lois. Maintenant, le projet de loi actuel est prévu pour offrir des prêts en vue de l'utilisation conjointe des coopératives de machines et les seuls animaux que je pourrais envisager comme utilisés conjointement, ce serait un taureau, qui en quelque sorte, servirait conjointement à une association. Mais ce n'est pas à cela que l'on pensait.

Il est simplement prévu pour que les syndicats des associations achètent des bâtiments qu'ils vont utiliser conjointement dans leur exploitation et je pense que les deux lois, la Loi sur les prêts destinés aux améliorations agricoles et la Loi sur le crédit agricole suffisent, pour certaines formes de prêts concernant évidemment les animaux qui dans l'ensemble représentent les seuls biens du cultivateur qui fait l'achat.

M. Downey: Je ne vois pas pourquoi il serait nécessaire de limiter l'application de la loi de cette façon. Cela ne lui nuirait pas actuellement si le bétail y était inclus, et il n'y a sûrement rien dans l'interprétation de la loi qui indique qu'il devrait s'agir nécessairement de machineries, étant donné qu'on l'appelle maintenant «*Loi sur le crédit aux syndicats agricoles*», par opposé à l'ancienne, «*Loi sur le crédit accordé aux syndicats de machines agricoles*».

M. Olson: Je ne vois vraiment pas d'avantage à la propriété conjointe de bétail, sauf dans le cas que j'ai cité. Vous savez qu'un montant de \$15,000 est disponible pour chaque membre ou cultivateur aux fins d'achat de bétail.

M. Downey: On peut imaginer un syndicat constitué d'après cette loi pour former un parc d'engraissement, par exemple, et dont les membres voudraient par la suite se mécaniser ou s'occuper d'élevage. Je ne crois pas nécessaire de limiter la loi à cet aspect de la question.

M. Olson: Il n'y a pas de problème dans le cas d'un syndicat usant de cette prérogative pour aménager un parc d'engraissement, mais, comme je l'ai signalé, alors qu'il existe déjà une disposition semblable dans la *Loi sur les prêts d'améliorations agricoles*, je ne vois aucun motif de l'étendre à la propriété conjointe du bétail, en dépit du fait que les aménagements de ce parc d'engraissement peuvent être effectués en vertu des dispositions de la présente loi.

[Texte]

Mr. Downey: But if a group were to go together and form a syndicate then they could not actually borrow under the Farm Improvement Loans Act as part of the syndicate, so this would not necessarily help them.

Mr. Olson: They can borrow separately under the Farm Improvement Loans Act and they can borrow just as much.

Mr. Downey: But then the cattle would be a separate entity belonging to each individual and they could not operate as a syndicate in this case.

Mr. Olson: They can make whatever arrangement between themselves that they wish to make. The main principle that is involved here is this. I can see no useful purpose in joint ownership of livestock. The purpose of this is for joint ownership and joint responsibility for the credit in building facilities that are used co-operatively.

Mr. Downey: I think we are unnecessarily complicating the situation by not letting people who would form a syndicate of this nature go ahead and use the funds up to the \$100,000 in the best way that they see fit. They should not be confined to using the funds just for equipment or just for buildings. If they have \$25,000, let us say, on their \$100,000 loan, why should they not be able to go ahead as a syndicate and use this for the purchase of livestock.

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Mr. Olson: That is an opinion.

The Chairman: I recognize Mr. Moore (Wetaskiwin)?

Mr. Moore (Westakiwin): My question has already been answered, Mr. Chairman.

The Chairman: Mr. Whelan?

Mr. Whelan: I want to ask a question on Clause 3 (2) (b) which reads as follows:

such other security as the Corporation may require.

I believe Mr. Owen said that this differed from the Farm Credit Corporation that you did not care how wealthy a group was that borrowed money. As I understand the principle of the Farm Credit Corporation Act, you are not suppose to loan anybody any money unless there is a need. However, you seem to follow a different principle in respects of this act?

Mr. Owen: There are different implications here. Here a group of farmers are getting together to share in the use of something. Now the fact that one of these farmers may be fairly well established actually

[Interprétation]

M. Downey: Pourtant, si un groupe formait un syndicat, il ne pourrait pas emprunter actuellement sous couvert de la *Loi sur les prêts destinés aux améliorations agricoles* en tant que syndicat, ce qui fait que cela ne l'aiderait pas nécessairement.

M. Olson: Ils peuvent emprunter séparément et tout autant au titre de la *Loi sur l'aménagement rural*.

M. Downey: Mais alors le bétail constituerait une entité séparée, appartenant à chaque individu, et ils ne pourraient agir dans ce cas comme syndicat.

M. Olson: Ils peuvent prendre entre eux tous les arrangements souhaitables; il n'en reste pas moins que je ne vois pas d'avantage à la propriété conjointe du bétail. Le but en est la responsabilité conjointe en matière de crédit dans la construction d'aménagements à usage coopératif.

M. Downey: Je crois que nous compliquons la situation sans nécessité en ne laissant pas les gens désireux de se syndiquer de la sorte d'aller de l'avant, en ne permettant pas aux associés d'utiliser leurs \$100,000, au meilleur de leurs projets. S'il leur reste, par exemple, \$25,000, sur leur emprunt de \$100,000, pourquoi ne pourraient-ils pas utiliser cet argent pour l'achat de bestiaux?

M. Olson: C'est une opinion . . .

Le président: Monsieur Moore (Wetaskiwin).

M. Moore (Wetaskiwin): On a déjà répondu à ma question, monsieur le président.

Le président: Monsieur Whelan?

M. Whelan: Je voudrais poser une question relativement à l'article 3 (2) (b) qui se lit comme suit:

«...toute autre garantie que la Société peut exiger»

M. Owen a dit, je crois, que la différence avec la Société de crédit agricole est que vous ne vous souciez pas de l'actif du groupe emprunteur, la loi supposant qu'on n'effectue pas de prêts à moins d'un besoin précis. Cependant, vous semblez suivre un principe différent eu égard à l'actuel projet de loi.

M. Owen: Il y a ici d'autres implications. Prenons un groupe de cultivateurs qui s'associent pour utiliser conjointement un matériel. Dans le cas où l'un des partenaires est très bien établi, il peut aider à la bonne

[Text]

can add strength to the syndicate itself, it might add strength to the management of the affairs of the syndicate, and we should not then limit that syndicate by depriving other members of the opportunity of associating with them. In making loans under the Farm Credit Act, for the purchase of land we must remember that land is a limited resource, that there is just so much land and that if we lent large amounts of funds to those who already have large amounts of land so that they could compete with other people who needed the land to have an adequate operation we would have an impact on the land market. But in this kind of thing we are not likely to have any such impact at all, and if three, four or five farmers wish to get together it would seem inappropriate to the man who happens to be well off and a competent manager, to say "You have to move out of that group."

Mr. Whelan: I can understand that. However, if I remember correctly when this was first put into force the idea was to give the smaller farmer the right to form a syndicate so he could compete with the vertical integrator or the large, large operator. It seems to me that under this there would be nothing wrong if four or five very large operators wanted to borrow this money and form a syndicate. You would not be able to refuse them a loan under this act, you would have to go along with it whether they were all very well off or whether just one of them was well off.

Mr. Owen: There is nothing in this act which says that we can decline to lend under those circumstances but experience indicates that the kind of people you are talking about wish to have sufficient independent control of their assets and not many of them will form a syndicate. The real value here is that they are giving up some of their independent ownership in order to get the economies of scale and savings of operations, and this willingness to give up independent ownership and independent control is more likely to appear in those people who need to in order to improve their income.

The Chairman: Gentlemen, shall Clause 3 stand?

Mr. Danforth: I have further questions on Clause 3 itself but I would first like to put some questions on the amendment moved by the Minister.

Could someone explain to me the difference between a tribe and a band. I find some difficulty in determining the basic difference. I am not dealing with the terms as prescribed by the Indian Act specifically, I am dealing with the corporation's contemplation of this.

Mr. Olson: Mr. Chairman, my understanding is that "band" is the legal word used, and that is why it is in this act.

[Interpretation]

marche du syndicat, et je ne vois pas pourquoi nous limiterions les prêts à cause de cela. En accordant des prêts d'après la Loi du crédit agricole pour l'achat de terres, nous devons nous rappeler que celles-ci ne sont pas inépuisables. Si nous prêtons d'importantes sommes à ceux qui possèdent déjà d'importantes terres, ils seront amenés à entrer en concurrence avec d'autres cherchant à s'établir, ce qui aurait une incidence sur le marché. Toutefois, cela n'arrivera pas dans le type de transaction que nous discutons présentement. Si trois ou quatre agriculteurs veulent s'associer, il semblerait injustifié de demander à celui qui se révèle être bien en fonds en même temps que dirigeant avisé de se retirer du groupe.

M. Whelan: Si je me souviens bien pourtant, lors de la première mise en application de cette loi, l'idée était de donner aux petits cultivateurs le droit de former des syndicats afin qu'ils puissent faire concurrence aux grandes entreprises. Il me semble qu'il n'y aurait pas de mal à permettre à quelques grands cultivateurs d'emprunter de l'argent, et de se syndiquer. En vertu de ce texte, il faudrait certainement leur consentir des prêts qu'ils soient tous à l'aise ou non.

M. Owen: Il n'y a rien dans ce règlement qui s'y oppose; l'expérience montre cependant que la catégorie de personnes dont vous parlez veulent avoir un contrôle assez indépendant de leurs avoirs, et peu d'entre eux sont désireux de se syndiquer. Les emprunteurs renoncent partiellement à leur propre contrôle pour obtenir un prêt, et cette propension à abandonner le contrôle indépendant de l'entreprise est davantage le fait de ceux qui ont besoin d'améliorer leurs revenus.

Le président: Vous avez des questions, monsieur Danforth?

M. Danforth: J'ai des questions à poser sur l'article 3 mais j'aimerais aussi revenir sur l'amendement proposé par le ministre. J'aimerais que l'on me donne des explications sur la différence entre une tribu et une bande d'Indiens. J'aimerais savoir quelle est la différence fondamentale. Je ne parle pas des termes précis utilisés dans la Loi sur les Indiens, mais de leur application sociétaire.

M. Olson: M. le président, d'après ce que j'ai compris, le mot «bande» est le terme juridique que l'on emploie, et c'est pour cela qu'il est inscrit dans la Loi.

[Texte]

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[Interprétation]

Mr. Danforth: Are band and tribe synonymous, sir.

M. Danforth: Est-ce que «bande» et «tribu» sont synonymes?

Mr. Olson: No.

M. Olson: Non.

Mr. Danforth: This is what I am asking.

M. Danforth: C'est pourquoi je pose ma question.

Mr. Olson: I understand that a tribe could include more than one band. There could be different locations and different reservations but it would still be part of the tribe.

M. Olson: Une tribu peut comprendre plus d'une bande. Il peut y avoir des réserves différentes, mais faisant partie d'une même tribu.

Mr. Danforth: I thank you.

Under the terms of this amendment which deals with Indian bands, their loans and applications for them, are the prescribed maximums as set out in the amendment in addition to any loans that may be held by the individuals under the farm improvement loan and the Farm Credit Corporation loan?

M. Danforth: Merci. D'après les dispositions de cet amendement au sujet des bandes indiennes et les prêts les concernant, est-ce que les maximums tels que définis d'après l'amendement viennent s'ajouter à tous les autres prêts contractés par les individus en vertu des autres lois sur le crédit agricole?

Mr. Owen: Yes, they are quite separate maximums.

M. Owen: Oui, ce sont des maximums tout à fait distincts.

Mr. Danforth: In other words, if an individual or a group of individuals make application under a syndicate loan and have borrowed up to the maximum under the farm improvement loan and the Farm Credit Corporation loan this has no bearing on the limits prescribed under the farm syndicate loan.

M. Danforth: Par conséquent, si un individu, ou un groupe d'individus font une demande de prêt à titre syndical, alors qu'ils ont déjà emprunté au maximum de par la Loi sur les prêts d'améliorations agricoles, cela ne jouerait pas quant aux limites imposées aux prêts syndicaux?

Mr. Owen: Well it does not have a bearing on the legal limit; it might have a very significant bearing on the amount we would be willing to lend. In other words, before we would make a loan we would have full details of the assets, the liabilities and the earning power. The fact that they had significant other liabilities has a very definite effect on our decision but it does not effect their technical legal eligibility.

M. Owen: Cela aurait certainement une influence sur le montant que nous sommes prêts à consentir. Avant de consentir un prêt, nous devrions avoir un rapport complet sur l'actif, le passif et les revenus. Cela a une grande influence sur notre décision, mais n'affecte pas l'admissibilité au point de vue technique et légal.

Mr. Danforth: In other words, it is left completely to the discretion of the corporate officers who are, in fact, checking out the financial stability of the syndicate members?

M. Danforth: En d'autres termes, on laisse cela complètement à la juridiction des fonctionnaires de la Société qui s'informent sur la stabilité financière des membres du syndicat?

Mr. Owen: Yes, this is so. Of course this is so in any lending. Even under the Farm Credit Act itself we might lend up to \$40,000 but that does not say that we always will.

M. Owen: Oui, c'est juste, mais cela est le cas pour n'importe quel prêt. Nous pouvons faire des prêts jusqu'à \$40,000, en vertu de la Loi sur le crédit agricole. Mais cela ne veut pas dire que nous le ferons tout le temps.

Mr. Danforth: This is what I am trying to tie in under Clause 3 and under the amendment itself. There is then no differentiation in the amount that may be borrowed by Indians and Indian bands and other farmers or farm syndicates?

M. Danforth: C'est ce que nous essayons de rattacher à l'article 3 et à l'amendement lui-même. Par conséquent, il n'y a pas de différence, de distinction entre les montants que peuvent emprunter les Indiens et les bandes indiennes, et les autres cultivateurs ou syndicats agricoles.

Mr. Owen: That is right, no difference.

M. Owen: Vous avez raison, il n'y a pas de différence.

[Text]

Mr. Danforth: Provided it is in agreement with the Department of Indian Affairs and Northern Development?

Mr. Owen: Yes.

Mr. Danforth: My other question, Mr. Chairman, is on the amendment itself. It states under 3A.

(1) with the approval of the Governor in Council, the Corporation may enter into an agreement with the Minister of Indian Affairs and Northern Development

Is it within the purview of the Minister of Indian Affairs and Northern Development to further modify the terms of this specific agreement? If I may rephrase my question for clarification, Mr. Chairman, under the terms of this particular act this amendment prescribes the regulations under which the Corporation may lend money to Indian bands or syndicates formed by Indians themselves. Is it not true that the Indians are subjected to further regulations? Since there is a two-party agreement between two departments is it not possible that the Minister of Indian Affairs and Northern Development, through his department, may prescribe different regulations under which Indians may borrow money?

● 1145

Mr. Owen: The agreement with respect to the circumstances under which we may lend and the circumstances under which the Minister will guarantee our loans is being worked out, and we will be in consultation with the officials of the Corporation and the officials of the Indian Affairs branch. Now that agreement of course will provide that from time to time it may be amended, as is the case with any agreement, but it will set out in broad terms the circumstances under which the Minister will guarantee loans.

Mr. Danforth: I can appreciate circumstances which may make this possible and practical, but, actually the regulations under which Indians in an Indian band or on a reservation may borrow money may not be as prescribed under this particular amendment but, rather, as a result of an arbitrary agreement between the two departments.

Mr. Olson: Mr. Chairman, I do not think that is correct. The agreement that is referred to, in the first part of this clause does not spell out the terms and conditions of that agreement because that, of course, has to be worked out, as Mr. Owen has pointed out, between the two departments. But the agreement, if this becomes legislation, will certainly have to be such that one can work with the other. These are the terms and conditions if we get an agreement in so far as the security is concerned. Now what the Minister of Indian Affairs or the Department of Indian Affairs

[Interpretation]

M. Danforth: A condition que l'on ait l'approbation du ministère des Affaires indiennes et du Nord canadien?

M. Owen: Oui.

M. Danforth: J'ai une autre question à poser sur l'amendement. L'article 3A dit:

(1) Avec l'approbation du gouverneur en conseil, la Société peut conclure un accord avec le ministre des Affaires indiennes et du Nord canadien.

Est-ce que le ministre des Affaires indiennes et du Nord canadien a l'autorisation ou le pouvoir de modifier de nouveau les dispositions de cet accord en particulier. Je pose ma question d'une autre façon, pour plus de clarté. D'après les dispositions de cette loi, cette modification prévoit des règlements d'après lesquels la Société peut prêter de l'argent aux bandes indiennes ou à des syndicats formés par les Indiens eux-mêmes. N'est-il pas vrai que les Indiens sont sujets à d'autres règlements? Parce qu'il s'agit d'un accord entre deux ministères, n'est-il pas possible que le ministre des Affaires indiennes et du Nord canadien fasse des règlements différents d'après lesquels les Indiens peuvent emprunter de l'argent?

M. Owen: L'accord, en ce qui concerne les circonstances dans lesquelles nous pouvons faire des prêts et les circonstances dans lesquelles le ministre donnera des garanties est établi après consultation entre les fonctionnaires de la Société et les fonctionnaires du ministère des Affaires indiennes et du Nord canadien. Bien entendu, cet accord peut être modifié de temps en temps comme tout autre accord. Mais cet accord établira en termes généraux les circonstances dans lesquelles le ministre pourra garantir les prêts.

M. Danforth: Je reconnais qu'il y a des circonstances qui peuvent rendre cela possible et pratique, mais de fait, les règlements d'après lesquels les Indiens qui font partie d'une bande ou habitent dans une réserve peuvent emprunter de l'argent ne sont pas tels que prescrits dans cet amendement, mais sont plutôt le résultat d'un accord arbitraire négocié entre deux ministères.

M. Olson: Monsieur le président, je ne pense pas que l'on ait raison de dire cela. L'accord dont on parle dans la première partie de cet article n'établit pas les termes et les conditions de cet accord, parce que cela doit être décidé entre les deux ministères, comme l'a dit M. Owen. Mais l'accord, si la loi est adoptée, devra être tel que les deux ministères pourront travailler ensemble. Ce sont là les conditions, si on peut obtenir un accord au sujet de la sécurité, de la garantie. Ce que le ministre, ou le ministère des Affaires indiennes et du Nord canadien, voudra inclure dans cet

[Texte]

want to put into that agreement in so far as terms and conditions are concerned between the Minister and the band of course is not for us to decide—it is up to the Indian Affairs department to make that decision—but after we have that agreement then we have spelled out in the subsequent clauses the manner in which we will deal with the Indian bands, after we have the agreement for security, and hopefully that will be as nearly as is possible the same basis for Indians as other people.

Mr. Danforth: Mr. Chairman, I will conclude this in about one minute. Based on what the Minister has stated, is it not a fact that in the practical application of this particular amendment and the legislation set out before us we are by this amendment trying to put the Indian farmer on the same status as every other farmer in Canada?

Mr. Olson: Right.

Mr. Danforth: But is it not a practical fact that although the maximum loan for example under this particular act is set at \$100,000 maximum, because of guidelines laid down by the Minister of Indian Affairs in some instances there would be a maximum of only \$60,000 to Indian bands who would apparently have the same qualifications as other farmers who would be eligible, as a syndicate, for \$100,000?

Mr. Olson: The rules and regulations, as we see them within this act, will not lower our limit, but we do not make any pretence at setting up the rules and regulations within the Indian Affairs department.

The Chairman: Thank you, gentlemen. We have reached the hour of adjournment.

Clause 3 stood.

The Chairman: I would ask the members of the Steering Committee to wait a few minutes for a consultation.

The meeting is adjourned to the call of the Chair.

[Interprétation]

accord en ce qui concerne les conditions est une chose qui sera décidée entre le ministre et les bandes d'Indiens. Nous n'avons pas à décider les choses qui concernent le ministère des Affaires indiennes et du Nord canadien. Mais lorsque nous aurons obtenu cet accord, nous établirons la façon dont nous traiterons avec les bandes indiennes, après que nous aurons obtenu l'accord au sujet des garanties, et nous espérons que cela sera fait de la même façon pour les Indiens que pour les autres citoyens.

M. Danforth: Je termine dans une minute, monsieur le président. D'après ce que le ministre a dit, n'est-il pas vrai que, dans l'application de cette modification et de la législation que nous sommes en train d'étudier, nous essayons de placer le cultivateur indien sur le même pied que tous les autres cultivateurs canadiens?

M. Olson: En effet.

M. Danforth: N'est-il pas vrai en pratique que, bien que le prêt maximum, d'après cette Loi, atteigne \$100,000 à cause des directives établies par le ministre des Affaires indiennes et du Nord canadien, il pourra parfois s'élever à un maximum de \$60,000 seulement pour les bandes indiennes qui auront apparemment les mêmes qualités, les mêmes qualifications que d'autres fermiers qui pourraient obtenir \$100,000?

M. Olson: Les règlements ne feront pas baisser notre limite, mais nous ne prétendons pas établir de règlements pour le ministère des Affaires indiennes et du Nord canadien.

Le président: Merci, messieurs. C'est le moment de lever la séance.

L'article 3 est réservé

Le président: Je demanderais aux membres du comité directeur de demeurer ici quelques minutes. La séance est levée jusqu'à nouvelle convocation du président.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 21

LIBRARY

MAR 17 1969



THURSDAY, FEBRUARY 20, 1969

LE JEUDI 20 FÉVRIER 1969

Respecting

Concernant

BILL C-112,

Le BILL C-112,

An Act to amend the Farm Machinery
Syndicates Credit Act.

Loi modifiant la Loi sur le crédit accordé
aux syndicats de machines agricoles.

Including Sixth Report to the House

Y compris le sixième Rapport
à la Chambre

WITNESSES—TÉMOINS

(See Minutes of Proceedings)

(Voir les procès-verbaux)

The Queen's Printer, Ottawa, 1969
L'Imprimeur de la Reine, Ottawa, 1969

STANDING COMMITTEE ON
AGRICULTURE

Chairman
Vice-Chairman

Mr. Bruce S. Beer
M. Marcel Lessard
(*Lac-Saint-Jean*)

and Messrs.

Barrett,
Clermont,
Cobbe,
¹ Cyr,
Danforth,
Douglas,
Downey,
Foster,
Gauthier,
Gleave,
Howard (*Okanagan
Boundary*),
Korchinski,
Lambert (*Bellechasse*),
La Salle,
LeBlanc (*Rimouski*),
Lefebvre,
Lind,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

COMITÉ PERMANENT DE
L'AGRICULTURE

Président
Vice-président

et MM.

Peters,
Roy (*Laval*),
Southam,
Stewart (*Okanagan-
Kootenay*),
Thomson (*Battleford-
Kindersley*),
Whelan,
Whicher,
Yanakis—30.

¹ Replaced Mr. Pringle on February 19, 1969.

¹ Remplace M. Pringle, le 19 février 1969.

CORRIGENDUM

Issue No. 20; Tuesday, February 18, 1969; page 20-3; after "Sample Local Syndicate Agreement", insert as a paragraph: "Clause 2 was carried."

Fascicule N^o 20; le mardi 18 février 1969; page 20-3; après «Modèle de convention particulière», insérer le paragraphe: «L'article 2 est adopté.»

REPORT TO THE HOUSE

Friday, February 21, 1969.

The Standing Committee on Agriculture has the honour to present its

SIXTH REPORT

Pursuant to its order of Reference of Wednesday, January 15, 1969, your Committee has considered Bill C-112. An Act to amend the Farm Machinery Syndicates Credit Act, and has agreed to report it with the following amendment:

To Clause 3, immediately after section 3 thereof on page 2, add the following section:

“3A. (1) With the approval of the Governor in Council, the Corporation may enter into an agreement with the Minister of Indian Affairs and Northern Development

- (a) for the purpose of enabling loans to be made under this Act to bands engaged in farming operations on reserves where at least three members of any such band who have attained the age of twenty-one years are engaged in the farming operations of the band and at least two of those members are principally occupied in such farming operations; and
- (b) for the purpose of providing such security as the Corporation may require under paragraph (b) of subsection (2) of section 3 in respect of loans made to farm syndicates
 - (i) that are co-operative farm associations or farming corporations, the members or shareholders of which are Indians on reserves, or
 - (ii) that are associations referred to in subparagraph (iii) of paragraph (c) of subsection (1) of section 2, the members of which are Indians on reserves or farming corporations the shareholders of which are Indians on reserves.

(2) Where an agreement has been entered into pursuant to subsection (1), a band referred to in paragraph (a) of that subsection shall be deemed to be a farm syndicate for the purposes of this Act and the provisions of this Act, in so far as practicable, shall apply to all loans made or to be made to that band.

(3) Where a loan is made or to be made to a band referred to in paragraph (a) of subsection (1), the

RAPPORT À LA CHAMBRE

Le vendredi 21 février 1969

Le Comité permanent de l'agriculture a l'honneur de présenter son

SIXIÈME RAPPORT

Conformément à l'ordre de renvoi du mercredi 15 janvier 1969, le Comité a étudié le Bill C-112, Loi modifiant la Loi sur le crédit accordé aux syndicats de machines agricoles, et est convenu d'en faire rapport avec la modification suivante:

A l'article 3 du bill, immédiatement après l'article 3 de la loi, à la page 2, ajouter l'article suivant:

«3A. (1) La Société peut, avec l'approbation du gouverneur en conseil, conclure en accord avec le ministre des Affaires indiennes et du Nord canadien

- a) aux fins de permettre l'octroi de prêts en vertu de la présente loi à des bandes qui s'adonnent à des opérations agricoles sur des réserves lorsqu'au moins trois membres de la bande qui ont atteint l'âge de vingt et un ans s'adonnent aux opérations agricoles de la bande et qu'au moins deux de ces membres ont pour principale occupation ces opérations agricoles; et
- b) aux fins de fournir la garantie que la Société peut exiger en vertu de l'alinéa b) du paragraphe (2) de l'article 3 en ce qui concerne les prêts consentis à des syndicats agricoles
 - (i) qui sont des coopératives agricoles ou des corporations d'agriculture dont les membres ou les actionnaires sont des Indiens installés sur des réserves, ou
 - (ii) qui sont des associations visées au sous-alinéa (iii) de l'alinéa c) du paragraphe (1) de l'article 2, dont les membres sont des Indiens installés sur des réserves ou des corporations d'agriculture dont les actionnaires sont des Indiens installés sur des réserves.

(2) Lorsqu'un accord a été conclu en conformité du paragraphe (1), une bande visée à l'alinéa a) de ce paragraphe est considérée comme un syndicat agricole aux fins de la présente loi et les dispositions de la présente loi s'appliquent, autant que possible, à tous les prêts consentis ou devant être consentis à cette bande.

(3) Lorsqu'un prêt est consenti ou doit être consenti à une bande visée à l'alinéa a) du para-

loan shall be secured in such manner as may be required by the agreement entered into pursuant to subsection (1).

(4) The total amount outstanding of loans that may be made to any one band under this Act shall not exceed the lesser of one hundred thousand dollars or the amount obtained by multiplying fifteen thousand dollars by the number of members of the band engaged in the farming operations of the band at the time the loan is made, except that where the number of such members principally occupied in the farming operations of the band is equal to or less than the number of such members not principally so occupied, the number of such members not principally so occupied shall be deemed to be one less than the number principally so occupied.

(5) With the approval of the Governor in Council, the Corporation may make regulations providing for any matter or thing that it deems necessary in order to make or to facilitate the making of loans under this Act to bands referred to in paragraph (a) of subsection (1).

(6) For the purposes of this section, the words "Indian", "band" and "reserve" have the meanings assigned to them in the *Indian Act*."

A copy of the Minutes of Proceedings and Evidence relating to this Bill (*Issues Nos. 19, 20 and 21*) is tabled.

Respectfully submitted,

Le président,
BRUCE S. BEER,
Chairman.

phe (1), le prêt doit être garanti de la manière qui peut être prescrite dans l'accord conclu en conformité du paragraphe (1).

(4) Le montant global non remboursé des prêts qui peuvent être consentis à une même bande en vertu de la présente loi ne doit dépasser ni cent mille dollars ni le montant obtenu en multipliant quinze mille dollars par le nombre de membres de la bande qui s'adonnent aux opérations agricoles de la bande au moment où le prêt est consenti, mais, lorsque le nombre des membres de la bande qui ont pour principale occupation les opérations agricoles de la bande est égal ou inférieur à celui des membres de la bande pour lesquels c'est une occupation secondaire, le nombre de ces derniers est censé être inférieur d'une unité au nombre des premiers.

(5) La Société peut, avec l'approbation du gouverneur en conseil, établir des règlements au sujet de toute question ou chose qu'elle estime nécessaire pour lui permettre de consentir des prêts, en vertu de la présente loi, aux bandes visées à l'alinéa a) du paragraphe (1), ou pour en faciliter l'octroi.

(6) Aux fins du présent article, les mots «Indien», «bande» et «réserve» ont la signification que leur donne la *Loi sur les Indiens*.»

Un exemplaire des procès-verbaux et témoignages relatifs à ce bill (*fascicules nos 19, 20 et 21*) est déposé.

Respectueusement soumis,

[Text]

MINUTES OF PROCEEDINGS

Thursday, February 20, 1969.
(24)

The Standing Committee on Agriculture met at 9:43 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Cobbe, Cyr, Danforth, Douglas, Downey, Foster, Gauthier, Gleave, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), Leblanc (*Rismouski*), Lessard (*Lac-Saint-Jean*), Lind, Moore (*Wetaskiwin*), Muir (*Lisgar*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*), Whicher—(22).

Witnesses: From the Department of Indian Affairs and Northern Development: Mr. J. B. Bergevin, Assistant Deputy Minister Economic Development; Mr. J. W. Churchman, Director, Operations Branch; *and from the Farm Credit Corporation:* Mr. G. Owen, Chairman.

The Committee resumed consideration of Bill C-112, An Act to amend the Farm Machinery Syndicates Credit Act, Clause 3, and the amendment moved thereto.

The Chairman presented the Second Report of the Subcommittee on Agenda and Procedure, as follows:

Your Subcommittee met last Tuesday afternoon to consider the matter referred to it by this main Committee at the meeting that morning.

The Subcommittee recommends that, on the matter of the amendment moved by Mr. Douglas to Clause 3 of Bill C-112, the main Committee hear at the meeting this morning representatives of the Department of Indian Affairs and Northern Development, together with representatives of the Department of Agriculture and the Farm Credit Corporation, with questioning of them to be relevant to the amendment moved.

On motion of Mr. Danforth,

Resolved,—That the Subcommittee's report be adopted.

The Chairman introduced the witnesses and they were questioned.

The amendment was carried and Clause 3 as amended was carried.

On Clause 4, there were some questions.

[Traduction]

PROCÈS-VERBAUX

Jeudi 20 février 1969.
(24)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 43, sous la présidence de M. Beer, président.

Présents: MM. Barrett, Beer, Cobbe, Cyr, Danforth, Douglas, Downey, Foster, Gauthier, Gleave, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), LeBlanc (*Rimouski*), Lessard (*Lac-Saint-Jean*), Lind, Moore (*Wetaskiwin*), Muir (*Lisgar*), Southam, Stewart (*Okanagan-Kootenay*), Thomson (*Battleford-Kindersley*), Whicher—(22).

Témoins: Du ministère des Affaires indiennes et du Nord canadien: M. J. B. Bergevin, sous-ministre adjoint, Développement économique; M. J. W. Churchman, chef de la Direction de l'exploitation. *De la Société du crédit agricole:* M. G. Owen, président.

Le Comité reprend l'examen du Bill C-112—Loi modifiant la Loi sur le crédit accordé aux syndicats de machines agricoles—à l'article 3, ainsi que la modification proposée à cet article.

Le président présente le second rapport du sous-comité du programme et de la procédure, à savoir:

Le sous-comité s'est réuni jeudi dernier, dans l'après-midi, pour examiner la question que lui avait renvoyée le Comité lors de la séance de ce matin-là.

Le sous-comité recommande que, relativement à la modification à l'article 3 du Bill C-112 proposée par M. Douglas, le Comité reçoive, lors de la séance de ce matin, les témoignages des représentants du ministère des Affaires indiennes et du Nord canadien, ainsi que ceux des représentants du ministère de l'Agriculture et de la Société du crédit agricole, et questionne ces témoins sur des sujets relatifs à la modification proposée.

Sur la proposition de M. Danforth,

Il est résolu—Que le rapport du sous-comité soit adopté.

Le président présente les témoins, qui répondent ensuite à des questions.

La modification est adoptée, et l'article 3 modifié est adopté.

Sur l'article 4, on pose quelques questions.

Clauses 4, 5, 6 and 1 were carried, as were the title and the bill as amended.

It was agreed that the Chairman would report Bill C-112 with amendment.

At 11:54 a.m., the Committee adjourned to the call of the Chair.

Les articles 4, 5, 6 et 1 sont adoptés, ainsi que le titre et le bill modifié.

Il est convenu que le président fera rapport du Bill C-112 avec modification.

A 11 h. 54, le Comité s'ajourne jusqu'à nouvelle convocation du président.

*Le secrétaire du Comité,
Michael A. Measures,
Clerk of the Committee.*

[Texte]

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, February 20, 1969

The Chairman: Gentlemen, I see a quorum.

We will resume consideration of Bill No. C-112, an act to amend the Farm Machinery Syndicates Credit Act, Clause 3, an amendment moved thereto. Gentlemen I now present the Second Report of the Subcommittee on Agenda and Procedure.

(See Minutes of Proceedings)

The Chairman: Is it agreed that this Report be adopted?

Some hon. Members: Agreed.

● 0945

The Chairman: I have the pleasure to introduce to the Committee this morning some familiar faces and some new faces. We are pleased, of course, to have the Assistant Deputy Minister, Mr. Jarvis, with us this morning from the Department of Agriculture. We are happy of course to have Mr. Bergevin, the Assistant Deputy Minister, Department of Indian Affairs and Northern Development and Mr. Churchman, also from the Department of Indian Affairs and Northern Development.

Gentlemen, the meeting is now open for questioning. I would ask that you confine your questions to the amendment.

Before we proceed with that I want to interject one other bit of business. Last week we offered to the members of the Committee the general syndicate agreement and also a sample of the local syndicate agreement. These were not available in French last Tuesday morning. They are available in French this morning and will be made available to any member who would like to have them.

I am informed that Dr. Aquino, Director General, World Food Program, will be in Ottawa on March 3 and 4. The question has been raised whether the Committee might like to have the opportunity of having Dr. Aquino here for the purpose of directing the Committee and of being available for questions. This raises the matter of a provision whereby we can invite him. I am informed that the Estimates will be before the Committee at that time and we could hear Dr. Aquino on Item 1 or the Estimates.

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Le jeudi 20 février 1969

Le président: Messieurs, je vois que nous avons le quorum. Nous allons donc reprendre l'étude du projet de loi C-112, loi visant à modifier la Loi sur le crédit accordé aux syndicats d'équipement agricole, Article 3. Il y a un amendement qui a été proposé. Messieurs, je vais vous présenter maintenant le deuxième rapport du sous-comité du programme et de la procédure.

(Voir procès-verbaux)

Le président: Êtes-vous d'accord pour adopter ce rapport?

Des voix: D'accord.

Le président: J'ai le plaisir maintenant de vous présenter ce matin des visages familiers et quelques visages nouveaux. Nous avons le plaisir d'avoir parmi nous le sous-ministre adjoint, M. Jarvis, du ministère de l'Agriculture, nous avons également M. Bergevin qui est le sous-ministre adjoint du ministère des Affaires indiennes et du Développement du Nord canadien et M. Churchman, qui est également du ministère des Affaires indiennes et du Développement du Nord canadien.

Messieurs, maintenant, vous pouvez poser vos questions. Je vous prierais de limiter vos questions à l'amendement qui a été proposé.

Avant d'aller plus loin, je voudrais vous dire une chose; la semaine dernière, nous avons proposé aux membres du comité une convention syndicale générale, et un modèle de convention syndicale locale. Hier matin nous n'avions pas la copie française, nous l'avons maintenant et ceux qui veulent, peuvent se la procurer immédiatement.

Messieurs, on m'a dit que le docteur Aquino qui est le directeur général de l'Association mondiale pour l'alimentation sera à Ottawa les 3 et 4 mars. On a soulevé la question, à savoir si le docteur Aquino devait venir ici, d'une part, pour prendre la parole devant le Comité, d'autre part, pour répondre à des questions. La question donc se pose, il faudrait que l'on prévoie une invitation pour le docteur Aquino. Je crois savoir qu'à ce moment-là on étudiera les prévisions budgétaires et on pourra entendre le docteur Aquino sur l'article 1 des prévisions budgétaires.

[Text]

Is it the wish of the Committee that we invite him to appear on the morning of Tuesday, March 4?

Some hon. Members: Agreed.

Mr. Danforth: Mr. Chairman, if I may make a suggestion, for the benefit of the members of the Committee perhaps the clerk, when he sends out the notices for this meeting, could provide a short synopsis of the background of the speaker so that we can be quite familiar with it?

The Chairman: That could be done, I am sure. Thank you, gentlemen.

I recognize Mr. Gleave.

Mr. Gleave: Mr. Chairman, as the member of the Committee who requested that the department appear before the Committee, I express my appreciation to them for being so ready to come before us and discuss this very important new step. Mr. Bergevin, what would be your objectives, working under this Act? Is it going to be feasible to work with the Farm Credit Corporation along this line?

Mr. J.B. Bergevin (Assistant Deputy Minister, Economic Development, Department of Indian Affairs and Northern Development): First Mr. Chairman, with your permission I will sometimes ask Mr. Churchman to help me out on this. I am a new appointee and have not reached a level yet where I can look like a civil servant who knows everything.

● 0950

I understand that before I arrived the department tried to have the Indians recognized as having the same treatment as non-Indians relative to the Farm Credit Act and that it went out of its way to get this. We, candidly never thought of this Bill as being really connected with it, but we certainly do believe that Indians should be given the same treatment as non-Indians.

As a matter of fact, statistics that we prepared yesterday show that we have over 2 million acres of potential arable acreage that could be used. This means, in effect, that the estimated cost of fully developing Indian agricultural land is of the order of magnitude of \$202 million, so that we have quite an active program to carry out. The probable sources for financing the development of the agricultural land on the reserves would be that ARDA would perhaps contribute \$40 million; that loans from the Farm Credit Corporation and other credit agencies would

[Interpretation]

Est-ce que le Comité est donc d'accord pour que nous invitions le docteur Aquino à se présenter en matinée, le mardi 4 mars?

Des voix: D'accord.

M. Danforth: Monsieur le président, puis-je faire une suggestion, au bénéfice des membres du Comité, que peut-être le secrétaire devrait nous fournir, lorsqu'il envoie une convocation pour ces réunions, en même temps un petit rapport sur les réunions pour que nous sachions de quoi il va s'agir?

Le président: Cela peut se faire, j'en suis sûr. Merci messieurs.

M. Gleave a la parole.

M. Gleave: Monsieur le président, en tant que membre du comité, qui ait demandé que le ministère des Affaires indiennes fasse connaître son opinion, je suis très heureux de voir les représentants de ce ministère devant nous ce matin. C'est là quelque chose d'effectivement très important.

Monsieur Bergevin, quel serait l'objectif recherché dans le cadre de cette loi. Est-ce que vous pensez que ce sera quelque chose de réalisable que de travailler en coopération avec la Société du crédit agricole selon cette ligne d'action?

M. J. B. Bergevin (sous-ministre adjoint, Expansion économique, ministère des Affaires indiennes et du Nord canadien): Avec votre permission, monsieur le président, tout d'abord, je vous demanderai parfois de me permettre de demander à M. Churchman de m'aider. Je viens d'être nommé à mon poste, par conséquent, je n'ai pas encore atteint le stade où l'on peut croire que, étant fonctionnaire, je sais tout.

J'ai cru comprendre, avant d'y venir, que le ministère cherchait à faire reconnaître les Indiens, c'est-à-dire à les faire traiter comme des gens qui ne sont pas des Indiens aux termes de la Loi sur le crédit agricole. Mais, ingénument, nous n'avons pas pensé à ce projet de loi proprement dit. Malgré tout, nous pensons que les Indiens devraient bénéficier du même traitement que ceux qui ne sont pas Indiens.

D'ailleurs, nous avons préparé hier, des statistiques qui nous ont permis de voir que nous avons plus de 2 millions d'acres de terre arable en puissance qui pourrait être cultivée. Ce qui veut dire qu'en fait le coût estimatif d'aménagement des terres serait de l'ordre de \$202,000,000 et par conséquent, il y a là un programme très important qui devrait être réalisé.

Maintenant, les sources possibles, de financement de l'aménagement des terres agricoles sur les réserves indiennes pourraient être réparties de façon suivante: ARDA, 40 millions de dollars, puis des emprunts de la Société du crédit agricole et d'autres agences de crédit

[Texte]

assist us with \$80 million; and that these would be grants to the extent of something like \$82 million. I am sure the members will appreciate, of course, that these are approximations.

The department is very much interested in developing the agricultural land on the reserves, but we fully realize that that will not take care of the employment of all the Indian population. Surprisingly enough, this would result in only about 27 per cent of the Indian population living on reserves profiting by it. Perhaps you would like to add something, Mr. Churchman?

The Chairman: Mr. Churchman, with a supplementary comment.

Mr. J.W. Churchman (Director, Operations Branch, Department of Indian Affairs and Northern Development): That 27 per cent, relates to Indians living on reserves which have agricultural potential, Mr. Bergevin. I did not mean to indicate that it was 27 per cent of all the Indian population. It is 27 per cent of the Indians living on reserves which have agricultural potential. That is a little different. To be a little more specific perhaps, it means that this program of \$200 million, if it were carried out, would make about 20,000 people self-supporting through agriculture.

Mr. Gleave: What I was particularly interested in was what method of taking security you are going to work out, and how much freedom of operation the individual farmer on the reserves is going to have.

I realize progress is going to be pretty slow. I looked at the statistics at the last census. I do not suppose it is too accurate, but it showed only 407 native Indians as making their total living from farming in the Province of Saskatchewan out of a total male population of 15,548. Therefore, I do not foresee great floods of money going out on this project to start with. It is perhaps fortunate that it is going to start slowly, because we may be able to do something pretty constructive as we go along.

What method of security are you thinking of using and, having taken the security, can you give the Indian operator, or operators, enough elbow room to become operators in their own right without being hampered any more than the ordinary farmer in his day-to-day operations once he gets credit?

● 0955

The Chairman: Mr. Churchman?

Mr. Churchman: Mr. Chairman and gentlemen, the Department of Indian Affairs will guarantee the loan that is made under this Act. If it is machinery that is being purchased our Minister will take a chattel mort-

[Interprétation]

pourraient nous fournir 80 millions de dollars, puis il y aurait des subventions de 82 millions de dollars. Vous vous rendez compte que ce sont là des chiffres estimatifs.

Le ministère s'intéresse beaucoup à l'aménagement des terres agricoles dans les réserves, mais nous comprenons parfaitement que cela ne pourra pas absorber tout le chômage indien. À notre grande surprise, seulement 27 p. 100 de la population indienne des réserves profiterait de cette mesure.

M. Churchman voudrait peut-être ajouter quelque chose?

Le président: Monsieur Churchman a des commentaires supplémentaires.

M. J. W. Churchman (Directeur de l'exploitation, Ministère des Affaires indiennes et du Nord canadien): Maintenant, en ce qui concerne votre 27 p. 100, il s'agit là de 27 p. 100 des Indiens sur les réserves qui ont des possibilités agricoles, monsieur Bergevin, je ne voulais pas indiquer que c'était 27 p. 100 de l'ensemble de la population indienne. Il s'agit de 27 p. 100 des Indiens qui vivent sur des réserves et qui ont des possibilités agricoles. C'est donc différent.

Pour être plus précis, cela voudrait dire en fait que ce programme de 200 millions de dollars, s'il était appliqué, permettrait à 20,000 personnes d'être financièrement autonomes.

M. Gleave: Ce qui m'intéressait, en particulier, c'était la méthode de garantie entendez-vous suivre et de quel degré de liberté chaque ferme de la réserve va pouvoir bénéficier?

Je crois que cela va être assez lent. J'ai regardé les statistiques du dernier recensement et je ne pense pas que ce soit très précis, mais cela montre que seulement 407 Indiens de la province de la Saskatchewan vivent de l'agriculture sur une population totale de 15,548. Par conséquent, je pense qu'il faudra mettre beaucoup d'argent dans ce projet. En fait, c'est peut-être fortuné que cela commence lentement, peut-être qu'on pourra par la suite accéder à quelque chose de constructif à l'avenir.

Quel genre de garantie entendez-vous prendre, et une fois que vous avez cette garantie, est-ce que vous pouvez donner à l'exploitant indien suffisamment de possibilité, de liberté, pour qu'il puisse devenir exploitant autonome sans être gêné autrement, disons, que l'est un exploitant ordinaire dans ses exploitations quotidiennes?

Le président: Monsieur Churchman.

M. Churchman: Monsieur le président et messieurs, le ministère des Affaires indiennes va garantir le prêt accordé d'après la loi. Puis le ministère prendra une hypothèque sur le matériel si ce sont des machines,

[Text]

gage on it, and this will be done exactly as it is when a purchase is made by a person other than an Indian. He will be treated in exactly the same manner.

We will put no restrictions on the amount of money an Indian, or a syndicate of Indians, might borrow. It will be applied in the same way as it is to anyone else, as limited by this Act. In other words, it is not our intention further to restrict the amount because of the guarantee of the Minister.

Mr. Gleave: Mr. Chairman, Indians have complained to me that they are more closely controlled in their operations than is the ordinary farmer. Although I can perhaps accept that it may have been necessary, are you expecting, by this approach, to get away from the paternalistic approach? Having taken the standard chattel mortgage, as you might take one on my farm or that of anybody else, are you going to say to the individual, "All right, now; go ahead and run it and make it pay if you can"?

Mr. Churchman: That is correct. Our intention is, of course, to have advice available for him, where we can arrange it, through the local agricultural representative service or through our own service. We have some agricultural specialists on staff in the regions. These will be available. We also hope that where an Indian farmer, or a syndicate in this particular instance, feels that more help is needed in the way of managerial and farming advice this could be made available either through the service I have mentioned or through the Farm Credit Corporation acquiring this through their staff and that we would assist in the cost of providing it.

Mr. Gleave: Jointly with the Farm Credit Corporation would you consider establishing, even one or two supervisory persons—that might be enough at the start—who were specially oriented and trained to the circumstances in which you are going to work here?

Mr. G. Owen (Chairman, Farm Credit Corporation): I might answer some aspects of this question for Mr. Gleave. When we are in a position to lend, under the provisions of the Farm Credit Act, or this particular Act, on Indian reserves we would be selecting those persons within our staff whom we believe to be most competent to give the kind of advice that may be needed and who are working in areas immediately adjacent, or close, to the reserves.

We expect them to become as familiar as possible with the circumstances on the reserve and with the people who will be farming there and to give them as much advice and assistance as possible. In other words, we will have members of our staff who will specialize. They will have other roles to serve, as well, but they

• 1000

will be directing special attention to the provisions of this particular section.

[Interpretation]

etc. Et cela se passera de la même manière que pour n'importe quelle autre hypothèque, pour n'importe quelle autre affaire avec un non-Indien.

Nous n'allons apporter aucune restriction aux sommes d'argent qu'un Indien ou qu'un syndicat d'Indiens pourra emprunter. Cela est la même chose que pour quiconque est reconnu dans la loi. Autrement dit, nous n'allons pas dépasser le montant prévu du fait de la garantie du ministre.

M. Gleave: Monsieur le président, j'ai entendu des Indiens se plaindre du fait qu'ils étaient limités dans l'exploitation de leurs fermes beaucoup plus qu'un individu ordinaire. Moi je suis agriculteur, je n'aimerais pas que l'on parle d'agriculteur ordinaire. Mais, est-ce que vous pensez que vous allez pouvoir vous écarter de cette attitude, disons, paternaliste? Une fois que vous allez placer cette hypothèque, alors vous allez dire à l'individu: «bon, eh bien maintenant allez-y, travaillez et payez si vous pouvez?»

M. Churchman: Oui, c'est exact. Ce que nous voulons c'est que nous allons mettre à sa disposition des conseils par l'entreprise du représentant agricole local ou par nos propres services. Nous avons des experts, des spécialistes agricoles sur place qui seront disponibles.

Nous espérons également que lorsqu'un cultivateur indien ou qu'un syndicat de cultivateurs indiens a besoin d'aide du point de vue de conseils, de direction, de gestion, eh bien, ces conseils lui seront accordés, soit par les organismes dont j'ai parlé, soit par la Société du crédit agricole qui a du personnel prévu à cet effet et qui assumerait les coûts.

M. Gleave: Est-ce que vous considérez établir, conjointement avec la Société du crédit agricole, un ou deux postes de surveillance, disons, deux pour commencer, qui seraient particulièrement qualifiés pour ce genre de conseils?

M. G. Owen (président, Société du crédit agricole): Pour répondre à une partie de votre question, monsieur Gleave, disons que lorsque nous sommes en mesure d'accorder un prêt à des Indiens dans le cadre de cette loi-ci ou de la Loi sur le crédit agricole, eh bien nous pourrions alors choisir des gens parmi notre personnel qui, d'après nous, sont les plus compétents pour accorder ces conseils et qui travaillent dans des régions très voisines des réserves, ou immédiatement adjacentes.

Nous espérons qu'ils pourront être directement en contact avec les cultivateurs des réserves afin de leur donner autant d'aide et de conseils que possible. Autrement dit, il y aura des membres de notre personnel qui seront spécialisés. Ils auront également bien sûr d'autres tâches dont ils vont s'occuper, mais, disons,

qu'ils vont surtout s'intéresser à cet aspect de la question.

[Texte]

Mr. Bergevin: May I add a comment, Mr. Chairman?

The Chairman: Yes, Mr. Bergevin.

Mr. Bergevin: I believe that by setting at the Farm Credit Corporation and the Farm Machinery Syndicates Act we are opening the doors for Indians to come into the agricultural field. Those who will come in at first, I would say, if I may so express myself, will be like big leaguers—people who, for the first time, will be able to get into big farming.

The Department, with our limited funds, was not in a position to help them out very much, and I am sure the Committee realizes that in the past history of Indian affairs, as far as farming was concerned, we were really dealing with the small farmers. The Farm Credit Corporation, I may say, deals with the cream of farmers in Canada but here it is sometimes not all compliments. I think you are highly conservative in your approach, so it does not help us very much. I am sure the farmers are accepted according to the Farm Credit Corporation's regulations and requirements to qualify and the Department will not have to lead the Indian farmers by the hand because they already are quite prepared to do this kind of business.

Mr. Gleave: The Minister of Agriculture is not here, but nonetheless he is the person to whom the Corporation answers, and would it not be advisable to at least have one person from an Indian band on the advisory committee to the Farm Credit Corporation? I know from my own observation that there are some Indians who have developed very successful farming techniques. Would it not be advisable to have someone like that on the advisory committee to the Farm Credit Corporation so that the Corporation will have both sides of the picture? Perhaps Mr. Owen could answer that.

Mr. G. Owen: I would first have to qualify my remarks by saying that membership in the advisory committee is a matter within the prerogative of the Minister.

Mr. Gleave: Right.

Mr. Owen: That is why I would not be able to speak for him in this respect. I would like to say, however, that the situation with respect to farming on Indian reserves, as you know, varies a good deal from place to place within the country and we first propose, in conjunction with the Department of Indian Affairs and Northern Development, to deal as closely as possible with representatives of the Indians within individual areas to the extent, I would hope—if we can make satisfactory arrangements—of having an Indian farmer as a member of the appeal board which would sit to discuss our loans and our decisions on loans so that he would be able to bring to us the views which they have with respect to their farming operations.

[Interprétation]

M. Bergevin: Monsieur le président, est-ce que je peux poser une question?

Le président: Oui, monsieur Bergevin.

M. Bergevin: Je pense qu'en établissant la Société du crédit agricole et la Loi sur le crédit accordé aux syndicats de machines agricoles, on ouvre la porte de l'agriculture aux Indiens. Les gens qui vont arriver les premiers sont des gens qui, pour la première fois, pourront s'occuper de grandes exploitations agricoles.

Le ministère, en raison de son budget limité, n'était pas en mesure de les aider tellement, et je suis certain que les membres du Comité vont comprendre que par le passé, nous nous occupions surtout des petits exploitants agricoles. La Société du crédit agricole s'occupe, si je puis dire, de la crème des fermiers au Canada. Je crois que vous êtes très conservateurs dans votre façon d'étudier la question et ça ne nous aide pas tellement. Je suis certain que les fermiers sont acceptés d'après les normes établies par la Société du crédit agricole et que le ministère n'aura pas à mener les agriculteurs indiens par le bout du nez puisqu'ils sont prêts à se lancer dans ce domaine.

M. Gleave: Le ministre de l'Agriculture n'est pas ici mais c'est à lui que répond la Société. Ne serait-il pas souhaitable qu'au moins un membre d'une bande indienne fasse partie du conseil consultatif de la Société de crédit agricole? D'après mes propres observations, je sais que certains Indiens ont mis au point des techniques d'agriculture qui ont fort bien réussi. Et je me demande si ce ne serait pas une bonne idée d'avoir quelqu'un comme eux, au sein du conseil consultatif de la Société du crédit agricole, afin que cette Société ait les deux côtés de la médaille. M. Owen pourrait peut-être répondre.

M. Owen: Tout d'abord, je dois vous faire remarquer que ces nominations dépendent du ministre.

M. Gleave: D'accord.

M. Owen: C'est pourquoi je ne puis parler en son nom. Toutefois, je vous dirai que, quant à l'exploitation agricole dans les réserves indiennes, les situations sont différentes suivant les endroits du pays. De concert avec le ministère des Affaires indiennes et du Nord canadien nous nous proposons de collaborer d'aussi près que possible avec les représentants des Indiens dans chaque région. Nous espérons qu'un agriculteur indien puisse siéger comme membre d'un tribunal d'appel pour discuter de nos décisions sur les prêts de sorte qu'il puisse nous fournir le point de vue des Indiens, quant à leurs méthodes d'exploitation agricole.

[Text]

I would also like to comment a little further on Mr. Bergevin's recent remarks. In general the farms that we deal with in Canada are not significantly larger than the statistical average, so we do not lend to the very large ones because of the regulations under the other Act. Under this one, of course, we can lend to any size. However, a great number of those that we lend to are farmers who are in actual need of significant ex-

● 1005

pansion in order to make a viable enterprise, and I would visualize under this proposed Act as well as the other one encountering the same sort of situation with respect to Indians on reserves where they have a significant expansion to make. I know you will appreciate that we have a supervision program for many of our borrowers.

The intensity of our supervision over borrowers depends entirely upon the circumstances of the individual borrower. Some require more than others, and therefore we would hope to use specifically the same approach in order to give the extent of advice and counsel that may be needed with respect to each individual syndicate or each individual farmer who may be borrowing from us.

Mr. Gleave: I just have one final question and I thank you for your patience, Mr. Chairman. Does the Department of Indian Affairs and Northern Development have any figures on the level of income that individual operators on the reserve have been able to achieve? Have you kept any records to indicate the level of income which they have achieved from their farming operations, or have you never separated it out?

Mr. Bergevin: I am afraid we never did. I am sure we could arrive at some figures if we dug into the records, but unfortunately we just do not have any this morning.

Mr. Gleave: I would think, if I may say so, that if we are going to go to work on it this is some of the first information we should start to gather.

The Chairman: Thank you, Mr. Gleave. A supplementary, Mr. Lambert (Bellechasse).

M. Lambert (Bellechasse): Pourrait-on savoir à quel genre d'exploitation agricole les Indiens s'adonnent? Est-ce la culture de céréales? Est-ce l'élevage?

Mr. Churchman: It probably varies, depending on the part of the country. In British Columbia and parts of Alberta they go heavily to ranching, to cattle raising. In Saskatchewan and parts of Alberta and parts of Manitoba it is primarily grain farming. In Ontario it is mixed farming, some grain and some cattle and in the Maritimes there is very little agriculture at all as far as Indians are concerned. Quebec has very, very little agriculture.

[Interpretation]

Maintenant, j'ai quelques commentaires supplémentaires à ajouter aux dernières remarques de M. Bergevin. Les exploitations agricoles avec lesquelles nous traitons généralement, au Canada, ne sont pas beaucoup plus grandes que la moyenne statistique des exploitations. Lorsqu'elles sont très grandes, nous ne faisons pas de prêts, ceci en conformité de l'ancienne Loi. Avec celle-ci, les dimensions ne comptent pas.

Mais la plupart de celles auxquelles nous consentons des prêts, sont des exploitations agricoles qui ont vraiment besoin d'expansion pour pouvoir réussir. Je crois, dans le cas de ce projet de loi comme le cas de l'ancienne loi, que la même situation se présentera au sujet des Indiens, là où l'expansion nécessaire est d'importance. Vous comprendrez que nous avons un programme de surveillance ou de contrôle pour plusieurs de nos emprunteurs.

L'importance de cette surveillance dépend de la situation de chaque emprunteur. Certains ont besoin de plus de surveillance que d'autres. Nous avons l'intention d'utiliser la même méthode pour donner les conseils nécessaires à chaque syndicat particulier ou à chaque agriculteur qui emprunte de nous.

M. Gleave: Encore une dernière question, et je vous remercie de votre patience, monsieur le président. Je voudrais savoir si le ministère des Affaires indiennes pourrait nous citer des chiffres sur le niveau de revenu des exploitants indiens sur les réserves. Avez-vous des dossiers qui indiquent le niveau du revenu atteint grâce à leurs exploitations agricoles, ou bien, n'avez-vous jamais extrait ces chiffres-là?

M. Bergevin: Je suis certain que nous pouvons arriver à des chiffres, si nous voulons fouiller les rapports mais je n'ai ici aucun détail à ce sujet.

M. Gleave: Si vous me permettez de le signaler, je vous dirai que si nous voulons nous attaquer à ce problème, ce sont là des renseignements qu'il nous faudra obtenir, dès le départ.

Le président: Une question supplémentaire. Monsieur Lambert (Bellechasse).

Mr. Lambert (Bellechasse): Could we find out what kind of farming operations the Indians pursue? Do they grow cereals? Or do they raise cattle?

M. Churchman: Le tout varie probablement selon la région du pays. En Colombie-britannique et dans certaines parties de l'Alberta, il y a beaucoup d'élevage de bétail. En Saskatchewan et dans certaines parties de l'Alberta et du Manitoba, c'est surtout la culture des céréales. En Ontario, il y a un peu de culture de céréales et un peu d'élevage. Et dans les Maritimes il y a très peu d'agriculture, chez les Indiens. Au Québec, il y en a très peu, également.

[Texte]

The Chairman: Thank you, Mr. Churchman and Mr. Lambert. I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, after listening to Mr. Owen, I am interested in learning the mechanics where we have two departments involved. We are quite familiar with the methods by which applications are made by farmers outside the reservations. May I ask in the case of Indians on reservations whether the applications will be made directly to the farm syndicate loan board or will they be made through the Department of Indian Affairs and Northern Development and then through that agency to the farm syndicate board?

Mr. Owen: Although our agreement with the Minister of Indian Affairs has, of course, not been completed because we cannot do so until after the bill is passed, we would certainly anticipate that the applications would be made to a representative of the Corporation, the credit adviser of the Corporation. In fact, it is a requirement of the Farm Credit Act that applications are made in this way, so we are quite certain that this would be the way that the farmer on the reserve would apply in order that he would be in a similar situation to any other farmer.

The only distinction I would make here is that we are likely to assign particular credit advisers who are closely located to the reserves and who have a chance to specialize in this particular type of lending.

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Mr. Danforth: It is my understanding then that when applications are made by Indian farmers they shall be made in the same manner as others, but perhaps these applications would be referred by the Corporation to the Department of Indian Affairs and Northern Development for approval or consideration before a final determination is made.

Mr. Owen: I do not think this would be so. The decision with respect to whether or not we would make a loan would be with the Corporation. The agreement with the Minister of Indian Affairs would provide for an over-all guarantee on those loans which we would make, using the criteria that we would normally use for making loans.

There could be circumstances after a loan had been approved where arrangements with respect to security of tenure of the land they were going to operate, and that sort of thing, would be resolved within the procedures of the Department of Indian Affairs and Northern Development. Insofar as assessing the repayment capacity, which is a primary consideration in making any loan, the purposes for which the money would be used and the amount which we felt these people could borrow and satisfactorily repay would, I anticipate, be the decision, as far as the individual loan is concerned, of the Corporation.

[Interprétation]

Le président: Merci monsieur Churchman. Merci, monsieur Lambert. Je donne la parole à M. Danforth.

M. Danforth: J'aimerais savoir, monsieur le président, ce qui se produit là où deux ministères entrent en cause. Nous savons ce qui se produit lorsqu'une demande est faite par des agriculteurs qui n'habitent pas une réserve. Puis-je savoir, lorsqu'il s'agit d'Indiens vivant dans des réserves, si la demande doit être adressée directement à la Caisse des prêts aux syndicats de machines agricoles ou si elle doit être adressée au ministère des Affaires indiennes et du Nord Canadien qui l'acheminera, lui, vers la Caisse?

M. Owen: Bien que l'entente avec le ministère des Affaires indiennes ne soit finale, puisqu'il nous faut attendre après l'adoption du bill, nous nous attendons certes à ce que la demande soit adressée à un représentant de la Société, son conseiller en matière de crédit. La *Loi sur le crédit agricole* stipule que la demande soit présentée de cette façon. Je suis certain que c'est ainsi que les agriculteurs dans les réserves devront présenter leurs demandes, pour être dans une situation analogue à celle des autres fermiers.

La seule différence c'est que nous nommerons probablement des conseillers spéciaux en crédit qui sont placés près des réserves et qui tenteront de se spécialiser dans ce genre de prêts.

M. Danforth: Dois-je comprendre que lorsque les demandes sont faites par les agriculteurs indiens, elles doivent être faites comme les autres, mais qu'elles pourraient être déferées par la Société au ministère des Affaires indiennes et du Nord canadien qui approuvera ou étudiera la demande avant que l'on prenne une décision définitive.

M. Owen: Je ne crois pas que les choses se passeront ainsi. La décision de faire un prêt ou non relève de la Société. L'entente avec le ministère des Affaires indiennes permettra de fournir une garantie générale sur les prêts que nous accorderons, conformément aux critères que nous utilisons habituellement avant de consentir un prêt.

Il peut arriver après qu'un prêt aura été consenti que les conditions relatives au respect de l'entente au sujet du terrain en question soient réglées selon le processus établi au ministère des Affaires indiennes et du Nord canadien. Pour ce qui est de la capacité de remboursement, la considération primordiale au moment d'accorder un prêt, la façon dont l'argent sera utilisé, et la somme qu'on estime qu'ils peuvent emprunter et rembourser, constituent la décision à prendre pour les prêts aux particuliers en ce qui concerne la Société.

[Text]

Mr. Danforth: Mr. Chairman, may I pursue this further? Perhaps I have entirely the wrong conception of the manner in which the two Departments are involved.

Would it be fair to say that perhaps the responsibility of the Department of Indian Affairs and Northern Development regarding Corporation and syndicate loans would be comparable to the part played by the government in respect of farm improvement loans where the government is acting merely as a backer? In other words, the Department of Indian Affairs and Northern Development would be backing a project rather than an individual loan.

Mr. Owen: I would think basically this would be a very good analogy. There are some differences. Because of the differences with respect to tenure of land and methods of security there may have to be some different procedural arrangements, but basically this would be the approach. We would be expected to use our customary judgment in the making of loans but would have this guarantee, in the same way as the government guarantees farm improvement loans, through banks who are required to use their judgment in the normal way in making loans.

Mr. Danforth: Thank you. If I may change my line of questioning for a moment, I was very interested in the statement that it would perhaps require an estimated amount of \$200 million to develop the farm lands available to Indian farmers. I think the figure given for the estimated amount of land would perhaps be two million or plus. What is the consideration in the development of this land? Does this development have to deal with underdrainage, clearing of scrub bush or what? Can we have some idea just what is contemplated. The word "develop" is very general in nature.

Mr. Churchman: Well, it varies across the country, sir. For instance, in the interlake region of Manitoba and in parts of northern Alberta, the Saddle Lake area, it is primarily clearing and breaking. As a matter of fact we have quite a program going on this winter. Winter is a good time to clear the brush and then we can break it in the spring. But it does vary considerably across the country.

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One thing I might mention here, Mr. Chairman, is the fact that there are approximately 1,100,000 acres of Indian land presently in agriculture and only 289,000 or just less than 300,000 acres of that land is farmed by Indians. The rest of it is leased out to non-Indian farmers. Now part of the process that will take place through making both the Farm Credit Act and the Farm Machinery Syndicates Credit Act applicable to provide funds, is that more Indians will be able to take over land which is presently under lease. I might mention too that these leases are short term leases. We have very few, if any, agricultural leases to a

[Interpretation]

M. Danforth: Monsieur le président, je vais aller un peu plus loin. Je comprends peut-être très mal la façon dont les deux ministères sont impliqués. Est-ce qu'il serait juste de dire que la responsabilité du ministère des Affaires indiennes et du Nord canadien vis-à-vis des prêts à la Société et aux syndicats serait peut-être comparable au rôle joué par l'État dans le cadre des prêts aux améliorations agricoles, ou il ne sert que de garantie. Autrement dit, le ministère des Affaires indiennes et du Nord canadien appuierait un projet plutôt qu'un prêt à un particulier.

M. Owen: Je pense que l'analogie est excellente. Il y a certaines différences cependant à cause du système de propriété foncière et des méthodes de sécurité où la procédure sera différente. Mais ce serait notre façon de base de procéder. Nous devons nous servir de notre bon jugement habituel avant de consentir un prêt mais il y aurait cette garantie, tout comme la garantie que l'État accorde dans le cas des prêts aux améliorations agricoles aux banques qui doivent se servir de leur jugement comme pour des prêts ordinaires.

M. Danforth: Si je peux maintenant changer de sujet, j'ai été très intéressé par la déclaration selon laquelle on aurait besoin de quelque \$200 millions pour aménager les superficies agricoles offertes aux Indiens. Je crois que le chiffre donné pour la superficie serait de 2 millions et plus. Je voudrais savoir quelles sont les considérations en jeu pour la mise en valeur de ces terres. Est-ce que le projet comporte des travaux d'écoulement ou de déboisement ou qu'est-ce qu'on entend exactement par «mise en valeur»? C'est assez vague.

M. Churchman: Tout dépend dans quelle partie du pays vous vous trouvez, monsieur. Par exemple, dans la région entre les lacs du Manitoba, et dans certaines parties du nord de l'Alberta, la région de Saddle Lake, par exemple, il s'agit surtout du déboisement et de défrichement. Nous y avons entrepris tout un projet cet hiver, car c'est le bon moment d'enlever les broussailles pour défricher au printemps. Tout dépend de quelle partie du pays.

Une chose que je voudrais mentionner, monsieur le président, c'est qu'il y a environ 1,100,000 acres de terres indiennes qui sont exploitées dans le moment; 289,000, ou un peu moins de 300,000 acres sont exploitées par les Indiens et le reste est affermé à des non-Indiens. Maintenant, lorsque vous vous adoptez ces deux Lois en vue de fournir des fonds aux Indiens, vous permettrez à plus d'Indiens d'exploiter les terres qui sont présentement affermees. Et je vous signale que les baux sont des baux à court terme. Il y a très peu de baux de plus de cinq ans aux non-Indiens, et dès que le bail est terminé, les Indiens pourront re-

[Texte]

non-Indian of over five years, so as the lease expires then the Indian people themselves can start farming the land. This is part of the program of getting the Indians to do the farming themselves rather than to lease it out to non-Indian farmers.

Mr. Danforth: This brings up an interesting question, Mr. Chairman. May I ask what the status is of a farmer or group of farmers who are presently under lease farming reservation land with regard to borrowing money under a syndicate loan? Have they been subject to any different regulations than those prescribed in the original act?

Mr. Owen: You are referring to farmers from off the reserves—

Mr. Danforth: Yes.

Mr. Owen: — who are leasing land on the reserves?

Mr. Danforth: Yes, the major portion of the land they are working being reserve land.

Mr. Owen: This is a sticky one. I do not know of any instance where we have had people farming off the reserve borrowing money in order to farm on the reserve. Under our normal lending program we would be lending funds required purely for the development of the land off the reserves.

Mr. Danforth: That is under the—

Mr. Owen: Under the present system. Under this clause here the only thing changing is that we are allowed to lend to Indians on reserves. It does not allow us to lend to non-Indians who are farming on reserves.

Mr. Danforth: But I can see some difficulty in the procurement of security where you have a syndicate. I am aware of such a syndicate farming 2,000 or 3,000 acres of reserve Indian land as a sole operation.

Mr. Owen: These are non-Indians?

Mr. Danforth: Non-Indians.

Mr. Owen: Well I would suggest that we would adopt the stand, unless they had other security that they could offer to us, that they would not be in a position to borrow for that purpose. After all, in the making of any loan—I mean a standard loan to a non-Indian—credit judgment relates to the earning power and to the assets of the borrower. While this is a hypothetical case and I would have to examine it to

[Interprétation]

prendre en main les terres. Cela fait partie du programme en vue d'encourager les Indiens à exploiter eux-mêmes les terres au lieu de les affermer à des non-Indiens.

M. Danforth: Monsieur le président, ceci soulève une question très intéressante. Est-ce que je pourrais savoir quel est le statut de l'agriculteur ou des groupes d'agriculteurs qui exploitent, en ce moment, les terres des réserves en vertu d'un bail, vis-à-vis des prêts consentis aux termes de la *Loi sur le crédit agricole*? Je voudrais savoir si les règlements qui s'appliquent à eux sont différents des règlements prescrits par la Loi initiale?

M. Owen: Vous parlez des cultivateurs qui n'habitent pas les réserves . . .

M. Danforth: Oui.

M. Owen: . . . et qui louent des terres sur les réserves?

M. Danforth: La majeure partie des terres qu'ils exploitent sont des terres de la réserve.

M. Owen: Eh bien, vous risquez de me coincer là. Je ne connais pas de cas où des Indiens cultivateurs qui ne sont pas de la réserve empruntent de l'argent pour pouvoir exploiter sur les réserves. Selon notre programme habituel, nous prêtons les fonds nécessaires afin de mettre en valeur les terres qui ne sont pas des réserves.

M. Danforth: C'est en vertu de . . .

M. Owen: . . . du système actuel. En vertu des présentes dispositions, le seul changement c'est qu'on peut faire des prêts aux Indiens sur les réserves. Elles ne nous permettent pas de faire des prêts aux non-Indiens qui exploitent sur les réserves.

M. Danforth: J'ai l'impression que cela soulève certaines difficultés pour la garantie lorsqu'il s'agit d'un syndicat. Et je connais un syndicat dont la seule activité est d'exploiter 2,000 ou 3,000 acres de terres sur les réserves.

M. Owen: Ce sont des non-Indiens?

M. Danforth: Des non-Indiens, en effet.

M. Owen: Alors, la position que nous adoptions, à moins qu'ils puissent nous offrir d'autres garanties, serait de leur refuser un emprunt à cette fin. Après tout, lorsque l'on consent un prêt à un non-Indien, la décision prise tient compte du revenu et de l'actif de l'emprunteur. Bien que ce soit un cas hypothétique, il faudrait vraiment que je l'étudie pour vous donner une réponse définitive. Mais si leur seul revenu provient des

[Text]

say anything definite, I would suggest that if their sole earning power was on the reserve then we would not be willing to lend under the act too.

Mr. Danforth: I have one more question, Mr. Chairman, and then I will pass for now. Since I think it can be determined by our questioning that applications for loans from Indians on the reserves and from bands will be directed to the Corporation in the normal fashion, it must be quite apparent to everyone present that the financial stability and the credit rating of bands, as with other Canadians, will differ greatly from reservation to reservation and from band to band.

How is this determination of credit stability and the sense of responsibility to be determined by the Corporation? Is consultation foreseen with the Department of Indian Affairs and Northern Development who would be in a prime position, I would imagine, to assess the normal credit rating as between different reserves and areas, and will this be a factor in the determination of the Corporation?

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Mr. Owen: In our assessment of credit worthiness we really go to every source where we can find good information. I would suspect that in dealing with a particular band we would certainly be discussing this matter with officials of the Department of Indian Affairs and Northern Development. In dealing with particular farmers on a particular reserve we would be discussing the matter, I am sure, not only with representatives of the Department of Indian Affairs but possibly with leading members of the band. You know, we have the same difficulty with people who are not on reserves, and over the years we have developed the technique of exploring every possible avenue of information where there is an area of doubt in order to resolve it as equitably as possible.

Mr. Whicher: Mr. Chairman, I have a supplementary on that.

The Chairman: Mr. Whicher.

Mr. Whicher: I wanted to ask a question of the Department. In the event of a loan to a single Indian being endorsed by yourselves and that Indian going broke, where does the money that you pay come from? You are going to have to pay the Farm Credit Corporation if he goes broke. Where does the money come from?

Mr. Bergevin: We have not resolved yet, first, how the Minister is going to protect himself by getting, you know, hold of the guarantee he is putting forward. We have not resolved them. There are many legal problems. We were with the legal department yesterday and we will have to go to Justice. Right now

[Interpretation]

réserves, nous ne sommes pas prêts à prêter en vertu de la Loi.

M. Danforth: Monsieur le président, j'ai encore une question. Je passerai ensuite la parole à d'autres. Je pense qu'on peut déterminer, à la suite de notre interrogatoire, que les demandes, de prêts de la part des Indiens sur les réserves et des bandes seront envoyées à la Société de la façon habituelle. Il doit être évident pour toutes les personnes ici présentes que la stabilité financière et la solvabilité des bandes et d'autres Canadiens varient beaucoup d'une réserve à l'autre et d'une bande à l'autre. Comment la Société va-t-elle déterminer la stabilité du crédit et le sentiment de responsabilité? Est-ce qu'on prévoit qu'il y aura des consultations avec le ministère des Affaires indiennes et du Nord canadien qui sera évidemment le mieux placé pour évaluer les capacités d'emprunts de différentes réserves et régions. Est-ce que ce sera un facteur dans la décision de la Société?

M. Owen: Lorsque nous évaluerons les capacités de l'emprunteur, nous nous adressons à toutes les sources qui peuvent nous fournir de bons renseignements. Lorsque nous traitons avec une bande en particulier, nous allons certainement en discuter avec les fonctionnaires du ministère des Affaires indiennes et du Nord canadien. Lorsque nous traitons avec les agriculteurs sur une réserve donnée, nous discuterons certainement la question, non seulement avec les représentants du ministère des Affaires indiennes et du Nord canadien, mais aussi avec les chefs de la bande. Vous comprenez, nous avons le même problème avec les gens qui ne sont pas dans les réserves et, de temps à autre, nous avons dû utiliser tous les moyens d'information lorsqu'il y a le moindre doute, afin de décider le plus équitablement possible.

M. Whicher: Puis-je ajouter une question supplémentaire?

Le président: Monsieur Whicher.

M. Whicher: Je demande au ministère si, dans le cas d'un prêt à un Indien en particulier garanti par le ministère que l'Indien fait faillite, d'où vient l'argent que vous devez verser? Vous devrez rembourser la Société du crédit agricole s'il n'a plus d'argent. D'où vient cet argent?

M. Bergevin: C'est une question que nous n'avons pas résolue. Le ministère va d'abord se protéger lorsqu'il fournit une garantie. Vous comprenez, nous avons toutes sortes de difficultés juridiques. Nous avons discuté de la question, hier, avec notre conseiller juridique, mais il nous faudra consulter le ministère de

[Texte]

I cannot answer your question directly or precisely, but we have funds, revolving funds, that perhaps could be used for that.

The Chairman: Mr. Churchman, do you have a supplementary comment?

Mr. Churchman: I think there are probably two places it could come from: from our own revolving fund or out of our general fund. It is a very difficult thing to estimate how much money you should put in a pot to take care of any, let us say, defalcation.

Mr. Bergevin: We feel confident, though, that if it has met the standards of the Farm Credit Corporation we already have pretty good protection, because they know their business and there is already good protection there.

Mr. Whicher: There is the odd bad Indian, you know, just the same as there is the odd bad white man.

Mr. Bergevin: Yes, that is right.

Mr. Whicher: And the only thing is that I do not think it should come out of the band funds.

Mr. Bergevin: Oh, no, definitely not. It would not.

The Chairman: Thank you, Mr. Whicher. I now recognize Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): Part of what I had in mind has been answered, Mr. Chairman, but the questions I have relate somewhat to what has just been said in reply to a question by Mr. Whicher.

I have five reserves in my riding and there is some farming done by Indians there while some of the land is farmed by white men. But there is better land lying idle on the Red Pheasant Reserve and it is in the same state of nature as it was when Poundmaker was there. This is better land than I am farming and is lying idle and some of these Indians would like to farm it.

According to an answer just given, the standards of the Farm Credit Corporation have to be met if they are going to approve this. From what I have seen of very few Indians whom I know on five reserves—they are going to call it five for a loan—I think that if this is the attitude taken the Act is going to be pretty meaningless to most of the Indians in my riding.

To get back to the basic question, I wondered how much initiative the Indian Affairs Department was going to take in developing or using the loan. If, for example, some Indians want to farm the land on the reserve, the first thing they are going to have to have is a cat to clear the brush, and this would be a logical reason for borrowing money under the Farm Machinery Syndicates Credit Act. But if you are going to expect them to be cream of the crop, as one of the

[Interprétation]

la Justice. Je ne puis répondre avec précision à votre question, mais nous avons des fonds qui pourraient être utilisés à cette fin.

Le président: Monsieur Churchman a peut-être quelque chose à ajouter?

M. Churchman: Je crois qu'il y a probablement deux sources différentes d'où cet argent pourrait provenir. Il est assez difficile d'évaluer combien il faudrait prévoir à cette fin.

M. Bergevin: Toutefois, nous sommes convaincus que, si les normes de la Société ont pu être respectées, il existe déjà une très bonne protection puisqu'ils connaissent certainement ce qu'ils ont à faire.

M. Whicher: Vous savez, il y a des méchants chez les Indiens aussi, tout comme chez les Blancs.

M. Bergevin: Oui, c'est exact.

M. Whicher: Oui, mais je ne pense pas que ce soit dans le fonds de la bande qu'il faille puiser.

M. Bergevin: Mais non, pas du tout.

Le président: Merci monsieur Whicher. Monsieur Thomson a la parole.

M. Thomson (Battleford-Kindersley): La question à laquelle je pensais n'est plus nécessaire, monsieur le président. Mais, j'ai d'autres questions qui s'apparentent à celles de M. Whicher.

J'ai 5 réserves dans ma circonscription et ce que je dis je le dis simplement d'après ce que j'ai vu là. Certains Indiens s'adonnent à l'agriculture, mais il y a une partie de l'exploitation agricole qui est faite par des Blancs. Pendant ce temps de meilleures terres demeurent inutilisées dans la réserve Red Pheasant. Elles sont dans le même état qu'au temps de Poundmaker. Ces terres sont meilleures que la mienne et elles demeurent inutilisées mais certains de ces Indiens voudraient les exploiter.

Si je m'en tiens à la réponse qu'on vient de donner, les normes de la Société devront être respectées. Si je me fie à ce que j'ai vu et si c'est l'attitude qu'on doit adopter, cette loi sera à peu près inutile pour la plupart des Indiens de ma circonscription.

Dans quelle mesure est-ce que le ministère des Affaires indiennes a l'intention de se servir du prêt pour l'exploitation, pour la mise en valeur. Par exemple, si les Indiens veulent exploiter les terres des réserves, il leur faudra d'abord un tracteur pour débroussailler, ce qui est une bonne raison pour emprunter de l'argent, aux termes de la *Loi sur le crédit accordé aux syndicats de machines agricoles*. Mais, si vous pensez que ça va être la crème que vous allez avoir, comme vous

[Text]

gentlemen described it, and know management techniques at the level that would qualify them under the Farm Credit Act, I can see very, very few using it.

● 1025

Now a suggestion, or question, if you like. I think that the Department of Indian Affairs and Northern Development should be prepared to take some risk in developing this. I would be very unhappy if they were to insist on the same qualifications. I think only a handful of Indians will ever be able to use this for a long long time if this is the case. This is a question, comment or statement, if you like.

Mr. Churchman: Mr. Chairman, I agree with the member. We are quite cognizant of this. I think I am aware of the area which you are speaking of, sir. We would not want the impression left that the only assistance to Indians in agriculture comes from the Farm Credit Act or the Farm Machinery Syndicates Credit Act. We do have programs in the Department itself to help Indians get established. We work very closely with the ARDA program. In fact Saskatchewan is one of the provinces where a considerable amount of ARDA funds are made available.

Incidentally they are all federal funds that are spent on Indian reserves through the ARDA program. The province does not put in any money. They may put in some administrative assistance, but they do not put in any dollars. This is used to break land, to help Indians get started to buy machinery. From time to time we assist in the purchase of machinery. We have a small loans fund of our own and we also have provision whereby through appropriation we can buy machinery which can be loaned or rented to them to get started.

The Chairman: Mr. Owen will make a supplementary comment.

Mr. Thomson (Battleford-Kindersley): I do not think the gentleman has answered my question.

The Chairman: Will you give Mr. Owen a chance? He may answer it more fully.

Mr. Owen: I think your prime concern is that the standards established by the Corporation for what we might call a viable unit would be such that there would be only a limited percentage of the farmers on the reserves in your area who would be able to qualify. I would like to emphasize that in assessing a loan, or making a judgment in respect of it, we are primarily concerned with the revenue producing possibility.

When we are dealing with farmers off reserves we have to recognize that one of their very significant costs and one of their first charges against income is the purchase of land. Therefore to make a viable unit they must have very large sums of money invested in

[Interpretation]

l'avez dit, des gens qui vont connaître des techniques d'administration d'une façon qui les rendront acceptables, d'après les normes de la *Loi du crédit agricole*, ils seront peu nombreux qui y auront recours.

Je crois que le ministère des Affaires indiennes et du Nord Canadien devrait être prêt à prendre certains risques. Je trouve que ce serait extrêmement dommage que d'exiger les mêmes qualifications. Seuls quelques Indiens pourront bénéficier de cette loi, si tel est le cas. Ce qui est précède est une question, un commentaire, une déclaration, comme vous voudrez.

M. Churchman: Je suis d'accord. Nous sommes parfaitement au courant de cette situation, nous y avons pensé. Je pense que je sais très bien de quelle région vous parlez, monsieur. Nous ne voulons pas laisser l'impression que la seule assistance disponible aux Indiens, dans le domaine de l'agriculture, vient de la *Loi du crédit agricole* ou de la *Loi sur le crédit accordé aux syndicats de machines agricoles*. D'autres programmes existent qui peuvent aider les Indiens à s'établir. Et nous travaillons en étroite collaboration avec le programme ARDA. La Saskatchewan est une des provinces où beaucoup de fonds de l'ARDA sont disponibles.

Ce sont tous des fonds fédéraux qui sont dépensés sur les réserves, grâce au programme ARDA. La province n'investit pas elle-même. Elle peut accorder une aide administrative, mais elle n'a pas à déboursier d'argent. Cet argent permet de défricher et aide les Indiens à acheter la machinerie nécessaire. De temps à autres, nous les aidons à acheter de la machinerie. Nous avons un fonds minime pour des prêts et nous pouvons également acheter de la machinerie que nous pouvons leur prêter ou leur louer.

Le président: Monsieur Owen désire faire des commentaires supplémentaires.

M. Thomson (Battleford-Kindersley): Je pense qu'il n'a pas répondu à ma question.

Le président: Donnez-lui une chance.

M. Owen: Je pense que ce qui vous inquiète, surtout, ce sont les normes fixées par la Société. Vous avez l'impression qu'il y aurait simplement un pourcentage très faible des Indiens qui pourrait satisfaire aux exigences. Lorsque nous accordons un prêt ou que nous rendons une décision à ce sujet, il faut tenir compte des possibilités de revenu.

Lorsque nous traitons avec des agriculteurs qui n'habitent pas dans les réserves, il faut reconnaître que l'une des dépenses les plus importantes, le premier déboursé à soustraire de leur revenu c'est l'achat de la terre. Il faut donc qu'ils aient investi beaucoup

[Texte]

land. The situation is somewhat different on a reserve and therefore a smaller loan will be able to go a much greater distance in establishing viability or a viable enterprise. You would not need as large a gross income or net income as you would off reserve, because you would not have that very high capital charge hanging over you.

I would anticipate, therefore, that the viability of a farm on a reserve—the ability of the farmer to make a reasonable livelihood for himself and his family—would involve considerations somewhat different than those off reserves and in terms of gross income would be referring somewhat lesser enterprises.

The Chairman: Does that answer your question, Mr. Thomson?

Mr. Thomson (Battleford-Kindersley): Yes, in part, thank you.

Mr. Chairman, I realize that we want to restrict our questions more or less to the particular Bill, but in reference to what you have said, sir, to get some of this land ready for production from raw bush would probably cost \$35 or \$40 an acre in some cases. It still amounts to a fairly considerable sum, you realize, to put it in an actual revenue producing position.

I am still quite concerned, in the light of this bill only, for the moment, about just what position the Indian Affairs Department is going to take. Is the Department going to leave an Indian in the position where he takes the initiative; he approaches the farm loan board and is already, in effect, part way up the ladder before he can get a loan? Or will the Indian Affairs Department use this act as part of their total program to assist Indians in getting started in agriculture? In effect, does the initiative all have to come from the Indian people themselves, or are you in the Department going to take some initiative and say: "Look you can do this or you can do that under the Farm Machinery Syndicates Credit Act." Are you giving the leadership or are you going to leave it to them?

● 1030

Mr. Churchman: Well we will be working very closely with the Farm Syndicates people and with the Indian people in Applying this act to them. I am trying to remember.

I am sorry I do not have the figures here of the amounts of money. But if my memory serves me right, there is about \$2 million in our budget for the coming year that will be spent in bringing land into production on Indian Reserves, without charge to the Indian people. So that if it costs \$35, as it does in many instances, to clear and break land, we do this, and there is no charge made to the individual or to the

[Interprétation]

d'argent dans cette terre. La situation est quelque peu différente dans une réserve et, en conséquence, un prêt moins important pourra quand même permettre l'établissement d'une entreprise qui a des chances de réussir.

Vous n'avez pas besoin d'un revenu brut ou d'un revenu net aussi important qu'à l'extérieur de la réserve parce que vous n'avez pas un investissement initial aussi considérable.

Je crois donc que les chances de succès d'une ferme dans une réserve, ou la possibilité pour le fermier de bien faire vivre sa famille, sont différentes de ces fermes de l'extérieur des réserves. Leur revenu brut s'apparenterait à celui des entreprises moins importantes.

Le président: Cela répond à votre question?

M. Thomson (Battleford-Kindersley): Plus ou moins, oui, je vous remercie. Je réalise que nos questions ne devraient porter que sur ce projet de loi, monsieur le président. Mais pour revenir à ce que vous avez dit, il pourrait en coûter \$35 ou \$40 l'acre pour rendre ces terres productives. Vous admettez que c'est une somme assez importante à déboursier uniquement pour que la terre soit en mesure de produire.

Je m'inquiète toujours de savoir comment le ministère des Affaires indiennes va procéder. Est-ce qu'il va laisser l'Indien prendre l'initiative, s'adresser à la Société de crédit agricole et faire 2 ou 3 pas dans l'échelle avant d'obtenir les crédits? Ou est-ce que le ministère des Affaires indiennes va se servir de cette loi dans le cadre d'un programme d'ensemble, pour aider les Indiens à se lancer dans une entreprise agricole? Est-ce que les initiatives doivent venir entièrement des Indiens ou est-ce que vous, comme ministère, allez prendre certaines initiatives et dire: «Voici ce que vous pouvez faire aux termes de la Loi sur le crédit accordé aux syndicats de machines agricoles»? Est-ce que je peux savoir si vous allez prendre les devants ou bien si vous allez les laisser faire?

M. Churchman: Eh bien, nous allons travailler étroitement avec les responsables des syndicats de machines agricoles et avec les Indiens dans l'application de cette loi à leurs besoins.

Je regrette de ne pas avoir ici des chiffres précis concernant les sommes allouées. Mais si je me souviens bien, environ 2 millions de dollars seront consacrés cette année à la mise en valeur des terres dans les réserves, sans qu'il n'en coûte rien aux Indiens. Donc, si le défrichement des terres revient, comme c'est souvent le cas, à \$35, les particuliers et les bandes n'ont rien à payer, à moins, bien sûr, que la bande ne

[Text]

band for it, unless of course the band is in a position to contribute to the cost of the operation, and some bands are. There are some bands, in Alberta for instance, that have fairly large band funds, and they are able to contribute. Sometimes they will put in 50 per cent or whatever we work out with them.

I am trying to recall the number of acres. I had not anticipated this type of question, or else I would have brought these figures along.

I mentioned earlier that land was being cleared in northern Alberta, and in the inter-lake region in Manitoba this winter. This is being done at departmental expense, not at the expense of the Indians. It will not be a charge against them for repayment. Is this what you were getting at?

Mr. Thomson (Battleford-Kindersley): I can see I have not made myself clear, Mr. Chairman, by using the breaking of land as an example.

The Chairman: Mr. Thomson, would you permit Mr. Owen to make a comment?

Mr. Owen: I think part of the subject you are really getting at is whether we are going to leave this as a matter for the Indians to find out about, or whether we are going to actually do something to let them know about it.

Mr. Thomson (Battleford-Kindersley): You have it right there.

Mr. Owen: We will be getting in touch with the Indian Affairs people, and it is our intent, where there is an indication of reasonable agricultural potential on a reserve, to have our local man go to that reserve, become familiar with the kind of farming that is going on, with the circumstances of the reserve, and do everything within his power to assist the people on the reserve to know first what we can do, and secondly what we cannot do, so that they will have an understanding of our program.

And it is our intent to arrange continuous consultation with them on these kinds of problem, so that we can be sure they are just as well informed, if not better informed, about our facilities as any other farmer in Canada.

Mr. Thomson (Battleford-Kindersley): Thank you, Mr. Chairman. In the light of this, would the Indian Affairs people care to comment?

Mr. Bergevin: For us, the fact that the Indian farmers would be allowed to use Farm Credit Corporation funds and Farm Syndicates credit funds is quite welcome. But it is, so far, only one other source of supply to help the Indians.

[Interpretation]

soit en mesure de participer aux coûts des travaux. Certaines bandes le peuvent. En Alberta, par exemple, il y en a qui ont des fonds assez importants et qui peuvent contribuer. Parfois les bandes assument 50 p. 100 des frais, ou bien une part dont nous convenons.

Mais je cherchais à me souvenir du nombre d'acres — en l'occurrence, je n'ai pas les chiffres sous les yeux, mais je vous ai dit qu'on défricherait des terres dans la région interlake au Manitoba, dans le nord de l'Alberta, en plein hiver, cet hiver. Et cela a été fait aux frais du Ministère et non pas aux frais des Indiens. C'est bien ce que vous vouliez dire?

M. Thomson (Battleford-Kindersley): Je ne me suis pas expliqué clairement, monsieur le président, lorsque j'ai parlé de défrichage.

Le président: Monsieur Thomson, est-ce que M. Owen pourrait poser une question complémentaire?

M. Owen: Je pense que la question que vous posiez était de savoir si nous allons laisser le soin aux Indiens de s'en occuper ou si nous allons faire quelque chose pour les mettre au courant.

M. Thomson (Battleford-Kindersley): Voilà exactement ma question.

M. Owen: Je peux vous dire que, en coopération avec le ministère des Affaires indiennes, nous allons chaque fois qu'apparaît une possibilité d'aménagement agricole dans une réserve, nous allons sur place nous familiariser avec le type d'agriculture qu'on y pratique, afin de connaître la réserve, et faire tout ce qui est possible pour aider les gens de la réserve. D'une part, savoir ce que nous pouvons faire, et d'autre part, ce que nous ne pouvons pas faire.

Nous avons d'ailleurs l'intention d'entretenir des consultations permanentes avec eux sur ces problèmes afin qu'ils soient informés aussi bien informés sinon mieux, de nos services que tout autre cultivateur au Canada.

M. Thomson (Battleford-Kindersley): Merci, monsieur le président. Je me demande si les gens des Affaires Indiennes voudraient ajouter quelque chose à ce que vous venez de dire?

M. Bergevin: Le fait que les Indiens soient autorisés à utiliser les crédits de la Société de crédit agricole et autres crédits, est une chose que nous accueillons avec bienveillance. Mais pour nous, ce n'est qu'une autre possibilité d'aider les Indiens.

[Texte]

We will keep on working with them, trying to adapt or to get the funds that they need to get going on various projects. We call on the Farm Credit Corporation for certain funds. We call on ARDA, and we call on ADA for industrial purposes. We call on any other program that goes on, and we try to get the Indians to make use of these funds. We come up sometimes with supplementary funds to make it workable at their level.

This is just one other source that we would use to help the Indians. It would not affect, I think, a very large part of our agricultural activities with the Indians.

● 1035

Mr. Churchman: Just to add to that, insofar as getting the information into the hands of the Indians, we have a little paper we call *Indian News* which we publish once a month. It is addressed to the home of every Indian in Canada. If any of them are not getting it, it is because we do not have their address; it was changed or something. But when this act is passed, and we assume it will be, there will be a notice in that paper bringing to the attention of all Indian people, particularly the farm people, that this is available.

We will also pass the information out to all our staff who are in the field, the community development people, the superintendents the agents and so on, to make the information available to them. I am sorry if I did not catch your question, about what you were getting at.

Mr. Thomson (Battleford-Kindersley): I can see I did not explain it properly. Thank you.

The Chairman: Thank you, Mr. Thomson. I recognize Mr. Moore (Wetaskiwin).

Mr. Moore (Wetaskiwin): Mr. Chairman, I was going to bring up the question of land leasing by Indians, and it has been pretty well covered by Mr. Churchman and Mr. Owen. But I would like to comment that band council policy—I am speaking of a reservation with which I am familiar—is against Indians leasing land. They want to get the farming on their own.

I would like to ask if Indian farmers taking advantage of this Farm Syndicates Credit loan, would be prevented from leasing land to white farmers?

The Chairman: Would Indians be prevented from leasing land to farmers who are not Indians?

Mr. Moore (Wetaskiwin): Yes. If they were involved in a syndicate.

[Interprétation]

Nous allons continuer d'œuvrer avec eux pour leur fournir les fonds dont ils ont besoin pour toutes sortes de projets. Autrement dit, nous ferons appel à la Société de crédit agricole pour certains fonds, et à l'ARDA ou à l'ADA pour les projets industriels. Nous ferons appel à tous les programmes de ce genre pour permettre aux Indiens de bénéficier des crédits et ce qui nous permet parfois d'avoir des crédits supplémentaires pour rendre leurs exploitations rentables.

C'est une des sources que nous utiliserions pour leur aider mais je ne pense pas qu'elles toucheraient une grande partie des activités agricoles avec les Indiens.

M. Churchman: Je pourrais ajouter également, en ce qui concerne la transmission des renseignements aux Indiens, nous avons une publication mensuelle qu'on appelle *Les nouvelles indiennes*, et qui est envoyée à chaque Indien du Canada. Si certains ne la reçoivent pas, c'est qu'on n'est pas au courant de leur changement d'adresse. Quand la Loi sera votée, et supposant qu'elle le soit, il sera indiqué dans ce journal à l'attention des Indiens, et particulièrement des cultivateurs.

Nous indiquerons également un certain nombre de renseignements aux responsables sur place, les animateurs ruraux, les surintendants, les agents et ainsi de suite pour qu'ils puissent les transmettre aux Indiens. Je m'excuse si je n'ai pas bien compris votre question.

M. Thomson (Battleford-Kindersley): Je m'aperçois, que je n'avais pas posé ma question clairement. Merci.

Le président: Je vous remercie, Monsieur Thomson. M. Moore.

M. Moore (Wetaskiwin): Monsieur le président, je voulais moi-même soulever la question des affermages de la part des Indiens. Mais, M. Churchman et M. Owen en ont très bien parlé. Mais je voudrais ajouter qu'en dépit du fait que la politique du conseil de bande, et je parle d'une réserve que je connais personnellement, s'oppose aux affermages par les Indiens. C'est-à-dire qu'ils veulent exploiter les terres eux-mêmes.

Je voudrais savoir si, dans le cas où les Indiens profitent de ces prêts, est-ce qu'on leur interdira d'affermier leurs terres aux Blancs?

Le président: Est-ce que les Indiens se verraient interdire d'affermier leurs terres aux agriculteurs qui ne sont pas Indiens?

M. Moore (Wetaskiwin): Oui, s'ils font partie d'un syndicat.

[Text]

Mr. Bergevin: I know the policy of the Department is that the Indian band does what it wants with its land. I think this is the basic policy of the Department. So if they want to lease the land to non-Indians, we will go along with it. They make their own policy.

Mr. Moore (Westaskiwin): Would you or Mr. Owen have any idea of the percentage of returns on investment for farmers in Canada, the Canadian average?

Mr. Owen: My guess is that it would be completely irrelevant to agriculture because so much of our agricultural resources in Canada are underemployed. There is great variation between the current and various kinds of farming, not only between different farmers on the same land, but also in different regions. The kinds of enterprise differ so much that the average really would not mean very much.

Mr. Moore (Wetaskiwin): I realize that very well.

Mr. Barrett: Hearing all I have heard, I am surprised that anyone, Indians or otherwise would want to be a farmer. Things are so tragic, dreadful, horrible, particularly out West.

The Chairman: Gentlemen, shall we return to Mr. Moore (Wetaskiwin).

Mr. Moore (Wetaskiwin): I will pass.

The Chairman: I recognize Mr. Downey.

Mr. Downey: On the number of Indian farmers in to Canada I see it is only apparently 1,392, according to the figures from the Dominion Bureau of Statistics.

Mr. Barrett: That is only in Saskatchewan?

Mr. Downey: No, this is in all of Canada. I think the figure for Saskatchewan is 407.

Considering the number of farmers we have at present, does the Department think that there will be enough who actually want to farm to justify the \$200 million that you are considering putting into the program?

● 1040

Mr. Churchman: I might say, Mr. Chairman, that there is definitely a growing interest, a developing interest on the part of the Indians to do their own farming. We expect that there will be more Indians wanting to farm than there is land available for them to farm. This has been the problem among the white population, and I do not think that it will be any different for the Indian population. Some of our studies indicate that in the West a person needs about

[Interpretation]

M. Bergevin: La politique du ministère est que la bande indienne en fait ce qu'elle veut. Autrement dit, s'ils veulent affermer leurs terres à des non-Indiens, c'est à eux de décider.

M. Moore (Wetaskiwin): Est-ce que vous ou M. Owen avez une idée du pourcentage de recettes sur les investissements des agriculteurs canadiens? La moyenne canadienne?

M. Owen: J'imagine que cette moyenne n'a rien à voir avec l'agriculture puisqu'une très grande partie des ressources agricoles sont sous-employées. Il y a de grandes différences selon le type d'exploitation et selon le cultivateur sur une terre donnée et entre les différentes régions. Il y a tellement de différentes activités agricoles que la moyenne ne voudrait pas dire grand-chose.

M. Moore (Wetaskiwin): Je comprends parfaitement.

M. Barrett: Je suis très surpris après avoir entendu tout ce qu'on vient de dire... qu'une personne, qu'elle soit indienne ou autre veuille encore devenir agriculteur. Leur situation est tellement grave, et tragique surtout dans l'Ouest!

Le président: Messieurs, est-ce qu'on peut en revenir à la question de M. Moore?

M. Moore (Wetaskiwin): Je cède mon tour.

Le président: Monsieur Downey.

M. Downey: Je vois d'après les chiffres du B.F.S. qu'il y a 1,392 agriculteurs indiens dans tout le Canada.

M. Barrett: N'est-ce pas le chiffre pour la Saskatchewan?

M. Downey: Non. Tout le Canada. Je pense que pour la Saskatchewan c'est 407. Vu le nombre d'agriculteurs que nous avons actuellement, est-ce que vous pensez qu'il y en a suffisamment qui voudront faire de l'agriculture pour justifier les \$200 millions que vous envisagez d'investir dans ce programme?

M. Churchman: Monsieur le président, je dois dire que les Indiens sont de plus en plus attirés vers l'agriculture. Nous croyons qu'il y aura plus d'Indiens qui s'intéresseront à l'agriculture quand il y aura plus de terres agricoles à leur disposition. Ce fut le même problème pour les blancs autrefois.

Certaines études ont indiqué qu'il faut 500 acres de terres dans l'Ouest pour qu'une exploitation soit ren-

[Texte]

500 acres to have a viable farm. As I indicated earlier, only 27 per cent of the reserve population could be supported on those reserves where there is farming potential. Only a small part of the Indian population can be supported by the agricultural aspect. I think it will be the other way around. There will be more people wanting to farm than there is land available.

The Chairman: Gentlemen, I think we are digressing from the amendment before the Committee, and I would direct your attention to the copies which were provided for you, the amendment to Clause 3.

Mr. Downey: I have another question, Mr. Chairman. Mr. Churchman and Mr. Owen were speaking of special services that were available to bands for technological help. Are not the ordinary channels of information available to them, such as the local District Agriculturists? Are not all these channels open to them and being used by them presently?

Mr. Churchman: Yes, they are available to them but sometimes they are not in sufficient quantity. An agricultural representative's first responsibility in a province is not to the Indians, but to the white farmers in the area in which he works. If he is overloaded with the number he has, then the Indians are going to come off second best.

Some of the provinces, particularly in the west, have become very interested in the Indian agricultural program, or problems, and they are making their agricultural representatives available. One province particularly has assigned one man in the northern part of the province to work specifically on Indian reserves.

We are working with the provinces and the agricultural departments in provinces to extend this kind of service more and more. As Mr. Bergevin said earlier, we would like Indians to get their services from the same source as other people, and we do not want to provide special services, that is, services which are designed particularly for Indians, if they can be obtained from the same place as other people get them.

Mr. Downey: Am I to understand, then, that the number of Indians trying to make use of these services is overloading them presently and this is why special assistance is needed; is this correct?

Mr. Churchman: Yes, plus the fact that in the past the provinces have not made this service available. It has only been in the last year or two that the provinces have recognized any responsibility here or taken any real interest; but this is growing, we are happy to say. So any service that has been available in the past has been provided by us, because nobody else provided it.

[Interprétation]

table. Comme je l'ai indiqué, seulement 27 p. 100 de la population des réserves pourraient vivre des exploitations rentables sur les réserves. C'est donc une très faible partie de la population qui peut vivre de cette activité. Je pense que ce sera le contraire. Il y aura beaucoup plus de gens qui voudront faire de l'agriculture qu'il y aura de terres disponibles.

Le président: Nous nous éloignons du sujet. Je voudrais attirer votre attention sur les documents qui ont été distribués, soit l'amendement proposé à l'article 3 du projet de loi.

M. Downey: J'ai une autre question, monsieur le président. M. Churchman et M. Owen ont parlé de services spéciaux qui étaient mis à la disposition des bandes pour l'aide technologique. Les voies normales d'information, les Agronomes de district par exemple, ne leur sont-elles pas ouvertes? Ne les utilisent-ils pas actuellement?

M. Churchman: Oui, ces moyens sont à leur disposition mais disons, pas en quantité suffisante. La première responsabilité d'un représentant agricole n'est pas envers les indiens, mais envers les agriculteurs blancs de la région où il travaille. Il a trop de travail les indiens vont donc venir en deuxième position.

Dans l'Ouest on s'est beaucoup intéressé au problème de l'agriculture indienne et on nomme de plus en plus de représentants agricoles. Une province, notamment, a affecté quelqu'un au nord de la province, pour travailler spécialement avec les réserves indiennes.

Afin que ce genre de service soit de plus en plus étendu nous travaillons avec les provinces et les ministères de l'agriculture. Comme M. Bergevin l'a dit précédemment nous voudrions que les Indiens obtiennent les mêmes services que les autres et de la même source que les autres. Nous ne voulons pas fournir des services spéciaux, c'est-à-dire des services prévus uniquement pour les Indiens, s'ils peuvent bénéficier des mêmes sources que les autres.

M. Downey: Donc, je commence à comprendre que le nombre d'Indiens voulant utiliser ces services est trop élevé, ce qui surcharge les services et nécessite une aide spéciale; est-ce exact?

M. Churchman: Oui, c'est exact, mais disons qu'en plus ces services n'étaient même pas à leur disposition auparavant. Ce n'est que depuis l'année dernière, ou la précédente que les provinces ont reconnu qu'elles avaient là quelques responsabilités et qu'elles s'y sont intéressées et, nous sommes heureux de le dire, c'est un secteur qui ne cesse de se développer. Tous les services qui étaient offerts auparavant, l'étaient par nous parce qu'il n'y avait personne d'autre pour les fournir.

[Text]

Mr. Downey: In a sense, as the other gentlemen have brought out, we have one government agency guaranteeing another government agency under this Farm Machinery Syndicates Credit Act, and the Indian Affairs Branch then has the ordinary chattel mortgage arrangement with the Indians themselves. In actual application, do you feel personally that you are developing their initiative to the full? Are they taking the full responsibility in this regard? Perhaps you have some figures on the claims you have under these chattel mortgages?

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Mr. Churchman: The only thing I could refer to, Mr. Chairman, is our own revolving fund loan and the repayment. Our experience on the revolving fund loan is that many of the small loans made in the past have been bad loans and we have had problems with repayment. However, since we got approval to make larger loans, in other words, to give a man enough money to get an operation going on a viable basis, then the repayment has been good, and very, very few of the larger loans of \$10,000 and up have gone sour on us; but with a lot of the smaller loans in the region of \$200 or so, the borrowers have never been able to get going.

Mr. Downey: On the aspect of encouraging responsibility, do you feel it would encourage this if the band funds were made available for guarantees? Do you think this would make the Indians encourage responsibility amongst themselves to any greater extent?

Mr. Churchman: To some extent it would, and in a number of cases they do. I know of some bands in Alberta who have a line of credit at the bank in the \$100,000 figure, and this is guaranteed by the band. It is not guaranteed by us. It is a line of credit that they can work on.

The problem that we run into is that so many bands have no funds. There is about \$30 million in band funds across Canada and that is divided between 2,200 bands, and the majority of it is in the hands of just a few bands, and there are hundreds and hundreds of bands that do not have \$5 in their band fund. So you see these bands could not guarantee anything, and this is the sort of problem that you run into.

Then, of course, the Indian land cannot be mortgaged so we have to work out some form of a guarantee, and we are trying to work it out so that the Indian does have something to lose. I think this is what you are concerned about: if he has a loan and he has nothing to lose, then so what?

[Interpretation]

M. Downey: En un sens, comme d'autres l'ont déjà dit, il y a une agence du gouvernement qui en garantit une autre, en vertu de cette loi sur le crédit accordé aux syndicats d'équipement agricole et les Affaires indiennes ont les mêmes accords sur les hypothèques, sur les biens mobiliers avec les Indiens.

En pratique, est-ce que vous pensez personnellement que vous leur donnez la possibilité de se développer pleinement? Est-ce qu'ils assument toutes les responsabilités à cet égard? Peut-être vous avez d'ailleurs des chiffres à nous donner sur le nombre de réclamations que vous avez eues en vertu de ces hypothèques immobilières?

M. Churchman: La seule chose dont je pourrais parler, Monsieur le président, c'est notre fonds de roulement de prêt et les remboursements. Disons qu'un bon nombre de petits prêts faits dans le passé ont été de mauvais prêts et que nous avons eu des problèmes de remboursement. Mais depuis que nous avons eu l'autorisation d'augmenter les prêts, c'est-à-dire de leur donner suffisamment d'argent pour qu'ils puissent faire marcher leur exploitation sur une base viable et bien les remboursements ont été meilleurs et nous avons eu très peu de prêts de \$10,000 ou plus qui n'ont pas été remboursés. Mais avec les petits prêts de l'ordre de \$200 nous avons toujours eu des problèmes.

M. Downey: Autrement dit, le fait d'encourager les responsabilités, vous mène à penser que ça encouragerait cela. Si les bandes pouvaient garantir leurs fonds, vous pensez que ça permettrait d'encourager les indiens à prendre leurs responsabilités?

M. Churchman: Oui, dans une certaine mesure et d'ailleurs c'est ce qu'ils font dans beaucoup de cas. Je pense à des bandes de l'Alberta qui ont un crédit bancaire de l'ordre de \$100,000, garanti par la bande. C'est un crédit qui leur permet de travailler.

Le problème que nous rencontrons, c'est que beaucoup de bandes n'ont pas d'argent. Il y a environ \$30,000,000 de fonds pour toutes les bandes du Canada et cela pour 2,200 bandes, et encore l'argent est-il entre les mains de quelques bandes, et des centaines et des centaines n'ont pas \$5 au fonds de la bande. Vous voyez donc que ces bandes ne pouvaient rien garantir et voilà le genre de situation dans laquelle nous nous trouvons.

Bien sûr, on ne peut pas hypothéquer la terre de la réserve, par conséquent, il faut trouver une autre forme de garantie et nous cherchons à mettre quelque chose sur pied pour que l'Indien ait quelque chose à perdre. C'est ce qui vous intéresse particulièrement. Évidemment s'il obtient un prêt et qu'il n'y a rien à perdre, et bien, pourquoi s'inquiéter?

[Texte]

We have to work within the terms of our act, and we have the legal people working on it now, to try and work it out so that although the Minister guarantees the loan to the lender, we will have release through the Indian so that he will lose something if he does not pay. If this is considered to be incentive, then that is—

Mr. Downey: Where band funds are available, do you not think that it would be a good idea to use this as a guarantee, if this could be set up, for the individual on these individual chattel mortgages?

Mr. Churchman: Yes, but you run into problems here because of the amount of band funds, as I mentioned earlier, and the calls upon the band funds. Unfortunately, at the present time, if band funds are used as a guarantee, then that amount of money has to be frozen and it cannot be used for anything else. So that, if a band has only a small amount of money and a couple of Indians want loans up to \$30,000 or \$40,000, then they freeze their money; they cannot use it for anything else. So you get into these complications. It is not just a straightforward, simple thing. We say, "Well, put up your band funds". With a band that has several million dollars in its fund, and we have one or two that have, it is not much of a problem. Then again, you run into the situation, if you guarantee it for one, why should you not guarantee it for the other.

Mr. Downey: Thank you.

The Chairman: Thank you, Mr. Downey. Mr. Lambert wants to ask a single supplementary.

M. Lambert (Bellechasse): Monsieur le président, y aurait-il possibilité de savoir quels seront les revenus possibles de ces bandes? Sur quoi vous basez-vous pour établir leur capacité de remboursement des prêts qui leur sont consentis. Quelles sont vos prévisions de ce côté, puisque, en somme vous avez certainement étudié cet aspect de la question?

M. Bergevin: Monsieur le président, le ministère par l'intermédiaire de son fonds de rotation de prêts, a fait des prêts pour des fins agricoles. Mais si je vous donne les montants, vous allez réaliser vite que nous ne sommes pas dans le domaine de la "grosse" agriculture. En effet, en décembre 1968 le fond indiquait que seulement 2.6 millions de dollars avaient été prêtés pour des fins agricoles, et ceci dans 1,300 transactions. C'est donc dire environ \$2,000 par transaction. Ce n'est vraiment qu'une aide. Le fermier indien a seulement subsisté à certains de ses besoins.

En autant que la Société de crédit agricole est concernée, elle ne fait pas la même sorte de prêts. Elle prête des montants beaucoup plus élevés et à de vrais fermiers professionnels.

Le ministère a été principalement engagé dans une opération agricole sur une petite échelle, pour aider le fermier. Il n'avait pas assez d'argent pour s'y lancer à

[Interprétation]

Donc ce que nous cherchons à faire dans le cadre de la Loi avec l'appui des légistes c'est que bien que le ministre garantisse le prêt auprès du prêteur, il y ait une clause liant les indiens et qui leur fait perdre quelque chose si le prêt n'est pas remboursé. Voilà un aspect de la question.

M. Downey: Lorsqu'il y a des fonds propres à la bande, vous ne pensez pas qu'il serait bon de s'en servir comme garantie, si c'était possible pour des hypothèques immobilières individuelles.

M. Churchman: Mais oui, mais là vous avez un problème parce que, comme je l'ai indiqué, il y a peu d'argent dans les fonds des bandes.

Ce qui se passe, c'est que si ces sommes sont mises sous garantie, elles sont alors inemployables pour autre chose. Si une bande a peu d'argent et que quelques Indiens veulent emprunter \$30,000 ou \$40,000, tout l'argent de la bande est rendu inemployable. Ce n'est pas simple. Si vous garantissez pour un, il faut garantir pour un autre même si leurs revenus sont différents.

M. Downey: Merci.

Le président: Merci M. Downey monsieur Lambert vous voulez poser une question supplémentaire.

Mr. Lambert (Bellechasse): Mr. Chairman, would it be possible to know what will be the possible revenues for these bands. On what do you base yourself to establish their loan reimbursement capabilities. What do you foresee with respect to this, seeing as you have studied that aspect of the question?

Mr. Bergevin: Mr. Chairman, the Department through its loan revolving fund has made loans for agricultural purposes. But if I give you the amounts, you will soon realize that we are not in the field of large scale agriculture. As a matter of fact, in December 1968, only \$2.6 million had been loaned for agriculture out of this fund, and this represented 1,300 transactions. That means only about \$2000 per transaction. In other words, it is just assistance. The Indian farmer has merely been able to meet some of his needs.

As to the Farm Credit Corporation, it does not grant the same type of loans. It loans much higher amounts to genuinely professional farmers.

The Department has been mainly engaged in a small scale agricultural operation to assist farmers. It did not have enough money to engage in this field more fully.

[Text]

fond de train. L'adoption des deux lois que vous étudiez présentement va sûrement aider à régler la situation. Je ne sais pas monsieur, si j'ai répondu à votre question. Il ne faut pas oublier l'ordre de grandeur.

M. Lambert (Bellechasse): Mais la loi à l'étude présentement prévoit des prêts pour l'achat de machinerie. Or on sait que la machinerie ne dure pas éternellement. Je voudrais savoir s'il y a des possibilités de remboursement de telle sorte que les Indiens puissent rencontrer leurs obligations? Advenant le cas où vous prêtez 10,000 à une bande, des remboursements annuels devront être payés, ils ne passeront pas à côté de la loi ces gens-là. Alors sur quoi vous basez-vous pour savoir si réellement ils auront des revenus suffisants pour rencontrer leurs obligations. C'est bien beau que le ministère des Affaires indiennes offre des garanties à la Société du crédit agricole mais indirectement, c'est vous, c'est moi, c'est tout le monde, qui payons.

M. Bergevin: Monsieur le président, chaque cas est étudié séparément. Si une opération est jugée rentable, nous prêtons l'argent. Ce n'est qu'exceptionnellement que nous allons engager des fonds dans une entreprise non-rentable.

M. Lambert: Est-ce que vous prévoyez . . .

The Chairman: Thank you, Mr. Lambert. I think we must return to our list of questioners. I have permitted the supplementary and I have you on my list for later on. I must recognize Mr. Cobbe, Mr. Lind, Mr. Muir, Mr. Howard, Mr. Southam, Mr. Lambert and Mr. Korchinski. I now recognize Mr. Cobbe.

Mr. Cobbe: Thank you, Mr. Chairman. I would like to direct my question to the gentlemen from the Department of Indian Affairs and Northern Development as I think this Bill deals specifically with syndicates and the land basically belongs to the bands. As we hope to encourage more Indian people to participate in farming, could you tell me how you propose to divide the amount of land that these individual syndicates are going to be able to farm to make it an economical unit?

Mr. Churchman: Mr. Chairman, this is the responsibility of the bands. The band, through its elected chief and council, are the people who make the allocations of land to the individuals in the band. They are the ones that have to make this decision, not us.

Mr. Owen: I have a supplementary comment. Under this Bill we do not lend money for land for agricultural production. Funds for agricultural production . . .

The Chairman: Gentlemen, there is too much conversation. In order to hear the witness, will you please devote your attention to him?

[Interpretation]

The adoption of the two bills you are considering at present will certainly help solve the situation. I do not know, sir, if I answered your question. We must keep in mind the matter of size.

Mr. Lambert (Bellechasse): But the bill we are studying at present makes provision for loans to buy machinery. Now, we know that machinery will not last forever. I would like to know if there exist reimbursement possibilities that could help Indians meet their obligations? I mean are they capable of reimbursing. Suppose you loan \$10,000 to a band, they will have to make yearly reimbursements. The Act will also apply to those people. On what basis do you establish whether they will really have sufficient income to meet their obligations? It is all good and well for the Department of Indian Affairs and Northern Development to offer guarantees to the Farm Credit Corporation, but indirectly it is you, it is I, it is everyone who pays.

Mr. Bergevin: Mr. Chairman, every case is studied separately. If we see that an operation is profitable, then we loan the money. It is only under exceptional circumstances that we shall commit funds when the operation is not profitable.

Mr. Lambert: Do you expect . . .

Le président: Merci, monsieur Lambert. Je pense qu'il nous faut revenir à la liste de ceux qui veulent poser des questions. J'ai autorisé la question supplémentaire, et je vous ai sur ma liste pour plus tard. Je dois donner la parole à M. Cobbe, à M. Lind, à M. Muir, à M. Howard, à M. Southam, à M. Lambert et à M. Korchinski. M. Cobbe a la parole pour le moment.

M. Cobbe: Je vous remercie, monsieur le président. J'aimerais poser ma question aux représentants du ministère des Affaires indiennes et du Nord canadien, car j'estime que ce bill porte surtout sur les syndicats, et que les terres appartiennent surtout aux bandes. Étant donné que nous espérons encourager de plus en plus d'Indiens à participer à l'agriculture, est-ce que vous pourriez nous dire comment vous envisagez de répartir les terres que chaque syndicat va pouvoir cultiver pour être un groupe rentable?

M. Churchman: Monsieur le président, c'est à la bande d'en décider. Il y a un chef et un conseil de la bande et ce sont ces gens-là qui répartissent les terres entre les divers membres de la bande. C'est à eux de prendre la décision, pas à nous.

M. Owen: Une observation complémentaire. D'après ce projet de loi, nous ne prêtons pas d'argent pour les terres à des fins de production agricole. Les fonds pour la production agricole . . .

Le président: Messieurs, il y a beaucoup trop de conversation. Pour entendre le témoin, voudriez-vous bien lui donner votre attention?

[Texte]

[Interprétation]

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Mr. Owen: ... on farms are lent under the provisions of the Farm Credit Act. Under this Bill the land involved is the land required as a site for a building to instal equipment for the washing, grading, packaging or other work that has to be done with products. It really is a site for a building to be used in common. It is not related to loans for actual agricultural production, so your question really relates to Bill No. C-110 which was approved on November 14.

Mr. Cobbe: Mr. Chairman, not really, because if they are going to provide facilities such as buildings, the only way they are going to be able to pay it back is to be able to be assured that they are going to have enough land so that they can produce enough to pay the loan back.

Mr. Owen: Yes; excuse me, I thought you were referring to the land that was involved in this particular Bill.

Mr. Cobbe: No.

Mr. Owen: Certainly the assessment of the repayment capacity of a syndicate, whether it be on a reserve or anywhere else, must be related directly to the amount of revenue that those individual members of the syndicate can generate from their own production.

Mr. Cobbe: Right. Now, when we discussed this before there really was not much of a problem, or we thought there was not much of a problem, in the band's borrowing money because they had the total area of land to deal with, but now I think our concern is with individual syndicates within the band. How are they assured that they are going to have enough land for individual syndicates?

An hon. Member: There are no syndicates.

Mr. Cobbe: Basically, then, if there are not any syndicates within the band, we really do not have a problem in discussing this portion of it.

Mr. Owen: Before we would make a loan to a syndicate we would ensure, through discussion and consultation with Indian Affairs, that the individual members of the syndicate had adequate security of tenure on an adequate amount of land to develop an adequate product to make it worth while having this particular building or site.

Mr. Cobbe: But this is not the responsibility of Indian Affairs; it is the responsibility of the band as suggested before.

M. Owen: Les fonds pour la production agricole dans les exploitations sont prêtés en vertu de la Loi sur le crédit agricole. Aux termes de ce Bill, la terre en cause est la terre nécessaire pour la construction d'un bâtiment où on logerait le matériel voulu pour le nettoyage, la classification, l'emballage et les autres travaux à exécuter pour les produits. Il s'agit en fait d'un emplacement pour la construction d'un édifice qui sera utilisé en commun. Cela n'a rien à voir avec les prêts accordés pour la production agricole même. Autrement dit, votre question se rattache au Bill C-110, qui a été approuvé le 14 novembre.

M. Cobbe: Monsieur le président, je ne suis pas tout à fait d'accord, car s'il leur faut fournir des installations telles que des bâtiments, le seul moyen pour eux de rembourser l'emprunt est de s'assurer qu'ils ont suffisamment de terres pour produire suffisamment pour pouvoir rembourser.

M. Owen: Oui, excusez-moi, je pensais que vous vouliez parler des terres en cause dans ce Bill particulier.

M. Cobbe: Non.

M. Owen: Certainement, l'évaluation des possibilités de remboursement d'un syndicat, que ce soit un syndicat d'une réserve ou d'ailleurs, doit être directement liée au montant des revenus que les membres du syndicat peuvent retirer de leur propre exploitation.

M. Cobbe: C'est exact. Lorsque nous avons étudié la question précédemment, il semblait qu'il n'y eût pas beaucoup de difficultés à ce que la bande emprunte de l'argent, car elle disposait de la totalité des terrains, mais je pense que maintenant, nous nous soucions des syndicats individuels à l'intérieur de la bande. Comment peut-on être certain qu'ils vont avoir suffisamment de terres pour les syndicats individuels?

Une voix: Il n'y a pas de syndicats.

M. Cobbe: Eh bien, s'il n'y a pas de syndicats à l'intérieur de la bande, il n'y a pas de problème dans cette partie du Bill.

M. Owen: Avant de faire un prêt à un syndicat, nous nous assurerions, par des discussions et des consultations avec les Affaires indiennes, que les membres individuels du syndicat ont une garantie suffisante de bail sur des terres suffisamment importantes pour que l'on y produise assez pour justifier la construction du bâtiment ou des installations.

M. Cobbe: Mais ce n'est pas là le rôle du ministère des Affaires indiennes, comme on l'a déjà dit, mais des bandes elles-mêmes.

[Text]

Mr. Owen: Then the individual syndicate that is borrowing must make arrangements through their band and subsequently, I understand, through the Department of Indian Affairs and Northern Development, with respect to the allocation of a security of tenure on the land in order to be able to qualify for the loan. In other words, the loan would be conditional, just the same as any other loan to a non-Indian. We make a loan conditional upon his getting security of tenure or ownership of enough land to pay it back.

Mr. Cobbe: Fine. It was only a problem that I see here, that individual syndicates within a band are quite possibly not going to be able to use this because of the lack of opportunity to acquire enough property from the band, and this is the problem I see within the Indian Affairs itself.

Mr. Bergevin: Of course, if the band comes up and suggests that a syndicate have so much of an area, if that area is found to be not economically viable, then we will not go for it. Is that what you mean?

Mr. Cobbe: Well it is the dividing of the reservation land amongst them.

Mr. Bergevin: That is their problem.

Mr. Churchman: This is a problem and various bands have real problems in arriving at this decision.

The Chairman: Thank you, Mr. Cobbe. Mr. Lind?

Mr. Lind: Further to the questions of Mr. Cobbe, I will direct this question to Mr. Churchman. In the Indian communities in my area, it is my understanding that this land is held not in deed but a type of ownership within the band by individuals. Is this not true in, say, the Caradoc agency area?

Mr. Churchman: It varies, Mr. Chairman, across the country. Different bands have different conditions and they have different ways and methods of handling it. What the gentleman says is correct. What could be done in these cases is that if the locatee, as we call him, or the person to whom the land has been allocated by the band, does not wish to farm it and another Indian does, there is nothing to prevent him from making a lease arrangement with that other Indian who owns the land. It is not owning in fee simple as we understand it, but he can make this kind of arrangement with him to get the use of the land the same as you or I might lease some land to someone else.

[Interpretation]

M. Owen: Puis chaque syndicat qui emprunte doit prendre des dispositions par l'intermédiaire de la bande, puis du ministère des Affaires indiennes et du Nord canadien, si j'ai bien compris, en ce qui concerne la répartition d'une garantie de bail sur ses terres, pour pouvoir obtenir un prêt. Autrement dit, le prêt se ferait à certaines conditions, comme n'importe quel autre prêt accordé à des non-Indiens. Nous n'accordons un prêt que si la personne obtient une garantie de bail ou de propriété sur des terres assez importantes pour qu'elles lui permettent de vous rembourser.

M. Cobbe: Bien. Le seul problème que je vois, c'est qu'il y aura des cas où les divers syndicats d'une même bande ne pourront se prévaloir de cette clause parce qu'ils ne pourront pas obtenir suffisamment de terres de la bande; c'est là que je vois un problème dans les Affaires indiennes mêmes.

M. Bergevin: Bien sûr, si la bande propose à un syndicat de prendre des terres dans une zone donnée, et que nous trouvions que cette zone n'est pas rentable, nous n'accorderons pas de prêt. Est-ce là ce que vous voulez dire?

M. Cobbe: Il s'agit de la répartition des terres de la bande entre ses divers éléments.

M. Bergevin: Cela, c'est leur problème.

M. Churchill: C'est certainement un problème, et certaines bandes ont beaucoup de difficulté à prendre une décision à ce sujet.

Le président: Je vous remercie, monsieur Cobbe. Monsieur Lind?

M. Lind: Cela fait suite aux questions de M. Cobbe, et je vais m'adresser à M. Churchman. Dans les collectivités indiennes de ma région, d'après ce que j'ai compris, la terre n'est pas détenue par contrat, mais par une sorte de propriété à l'intérieur de la bande par des particuliers. N'en est-il pas de même de la région qui dépend de l'agence de Canadoc, disons?

M. Churchman: Cela varie, monsieur le président, d'un bout à l'autre du pays. La situation n'est pas la même dans les différentes bandes, et elles ont différentes façons de procéder. Ce que dit monsieur est exact. Ce qui peut se produire, c'est que si le locataire, comme nous l'appelons, c'est-à-dire la personne à laquelle la bande a attribué la terre, ne veut pas faire d'agriculture, mais qu'un autre Indien veuille le faire, rien n'empêche cette personne de louer la terre à un autre Indien qui en est propriétaire. Il ne s'agit pas de propriété au sens où nous le comprenons, mais ce genre d'entente est possible.

[Texte]

Mr. Lind: Mr. Chairman, in these Indian communities in our area we have several very successful Indian farmers who are carrying on quite extensive operations and who need expansion; they need new equipment in order to meet competition and get their production costs down so that they can sell and make a net return on their investment.

The thing that concerns me when we go into this, Mr. Chairman, is who is going to allot his money? They are very successful Indian farmers, and who is going to be responsible? Is it the agents from the Farm Credit Corporation, or who?

Mr. Owen: It would be the representatives of the Farm Credit Corporation who would accept the application or request for credit; who would analyse and assess the merits of the application and make an offer of loan, or approve a loan, we might make it conditional depending on the circumstances, conditional upon certain adjustments in the rights of tenure of land by the applicants, but we as lenders would be the persons who would be determining how much we could lend to an individual applicant, whether it be a syndicate or the band itself or any other entity under this Bill.

Mr. Lind: I realize, Mr. Owen, that you have two good agents in my riding, but they have been rather careful, shall we say, when dealing with the Whites, in taking mostly A-1 risks. When you come to this other risk where they are dealing with the band and they are dealing with individuals with whom they have not had any experience, are they going to be more rigid or are they going to take a more lenient outlook?

Mr. Owen: We rather feel that we exercise reasonable and equitable judgment wherever we can in all circumstances. I would suggest that the fact that in the fiscal year ending last March we had lent \$263 million in the course of the year would indicate that we are not just restricting our operations to the cream of the crop.

We are endeavouring to ensure that our loans go to help rather than to hurt individuals, that loans go to people who in effect will be able to pay them back and therefore not jeopardize what they already have. I know that many people have the impression that they are relatively rigid with respect to loans. I suggest that part of the reason for this is that they hear only from those who are turned down, those who are unable to get loans, and that they only hear one side of the story.

If the whole circumstances were exposed, we might find that we have made 10,000 loans in a year and turned down maybe 1,500. We hear only from those 1,500 and we only hear one side of the story. I think that under this type of program we certainly can exercise flexible and reasonable judgments, but we have to be sure that in making a loan we are not putting the

[Interprétation]

M. Lind: Monsieur le président, dans les communautés indiennes de notre région, il y a des agriculteurs indiens très habiles qui ont des exploitations très grandes et qui ont besoin de machines nouvelles pour pouvoir soutenir la concurrence et abaisser leurs prix, afin de pouvoir vendre et avoir un profit net sur leur placement.

Mais ce qui m'inquiète lorsque nous abordons cette question, monsieur le président, c'est de savoir qui va répartir les fonds. Ce sont des agriculteurs indiens qui réussissent fort bien. Qui va être chargé de la répartition? La Société du crédit agricole?

M. Owen: Ce serait les représentants de la Société du crédit agricole qui recevraient les demandes de prêt. Ils évalueraient les mérites de la demande et ils étudieraient ce prêt et fixeraient peut-être certaines conditions à l'octroi du prêt, c'est-à-dire que le candidat, selon les circonstances, devrait effectuer certaines modifications au droit de jouissance, mais nous, en tant que prêteurs pouvons décider du montant du prêt, que ce soit à un Indien, à une bande ou à n'importe quelle autre personne, aux termes du présent bill.

M. Lind: Outre cela, monsieur le président, je me rends compte que, mais ils ont été disons plutôt prudents lorsqu'il s'agit des Blancs, ne prenant que des risques de première classe. Lorsque vous prenez le risque supplémentaire, c'est-à-dire de traiter avec les bandes ou des gens en particulier avec lesquels ils n'ont jamais eu affaire, est-ce qu'ils vont être plus rigides ou au contraire plus souples?

M. Owen: Nous trouvons que nous exerçons un jugement équitable et juste dans toutes les circonstances. Je suggérerais que le fait que durant l'année financière close le dernier mots, nous avons prêté 263 millions de dollars au cours de l'année indique que nous ne limitons pas notre aide à la crème.

Nous cherchons à ce que nos prêts aident plutôt que gênent les individus, et nous le faisons à des gens qui pourront rembourser, par conséquent qui ne mettraient pas en danger ce qui nous appartient déjà. Beaucoup de gens pensent qu'on est très rigides en ce qui concerne les prêts. Je pense, en fait, que cela est dû en partie au fait que l'on n'entend parler que des refus de prêts, c'est-à-dire des cas où un prêt est refusé. Donc, on n'entend qu'une partie de l'histoire.

Mais si on révélait l'autre aspect de la question, on s'apercevrait peut-être que 10,000 prêts ont été accordés dans l'année, mais il n'y en a eu que 1,500 qui ont été refusés, mais on n'entendra parler que de ces 1,500. Je pense qu'avec un programme comme celui-ci, nous pouvons certainement exercer un jugement raisonnable assez souple, et nous devons être certains lorsque nous accordons un prêt que nous ne

[Text]

borrower behind the eight ball; that we are putting him in a position where he has a reasonable opportunity to meet his obligations and protect his estate.

Mr. Lind: Mr. Chairman, through you to Mr. Owen, I think your figures from the Farm Credit Corporation bear out that you have only been skimming off the cream of the crop because, if I remember correctly, there were only about a dozen farms that you had to reclaim in the last year. Out of the number of loans, out of about \$263 million, you say, this indicates to me that your policy with regard to lending to farmers is that you are only skimming the cream and you are not taking any of the risk.

• 1105

Mr. Owen: I would not mind mentioning that we are now, I presume, discussing the Farm Credit Act?

Mr. Lind: I am just coming back to a point that you brought up. I am just answering your point, Mr. Owen.

Mr. Owen: If we are skimming off the cream of the crop, the cream goes very deep in Canadian agriculture. Between ourselves and provincial agencies we have mortgages on more than 100,000 farms in Canada today. We ourselves have about 68,000 mortgages. Now surely it should not be one of our aspirations to foreclose on this large number of farms each year. Since the Corporation has been operating its annual volume has increased sixfold and the price of land has been rising regularly. When a farmer gets into difficulty with respect to payment, rather than for us to foreclose it, knowing that we are not as likely to get as reasonable a price for the farm as he would if he sold it as an individual, that farmer who is in difficulty will sell the farm himself and have somebody else take over the loan and pay us off.

And I am sure you realize that aside from those whom we foreclose—and when we foreclose we recognize that what we have done is to lend money to a man who could not pay us back and to have taken his home and property away from him—that aside from these there are a great number of others who come into difficulty from time to time and who have to sell out and leave their property, but they sell it directly on their own. And I would suggest that the average size of the farms on which we are lending in Canada today is not greater than the average size of farms in Canada. If part of the objective of the program is to introduce viability into agriculture, then we are working in that direction.

Mr. Lind: Mr. Chairman, this is getting a little off the subject. I want to get back to the fact that these same agents who have been dealing with the White farmer now have to deal with the Indian farmer in his community.

[Interpretation]

faisons pas de tort à l'emprunteur; que nous le mettons dans une position où il a des occasions raisonnables de remplir ses obligations et de protéger sa propriété.

M. Lind: Monsieur le président, par votre intermédiaire, je voudrais poser une question à M. Owen. Je crois que les chiffres de la Société du crédit agricole prouvent que vous n'avez pris que la crème et il me semble que oui, car si je me rappelle bien vous n'aviez qu'une douzaine d'exploitations agricoles que vous avez eu à aider avec des prêts. Sur 263 millions, comme vous dites, je pense que cela indique pour moi que vous ne faites que la crème et que vous ne prenez aucun risque.

M. Owen: Je dois signaler que dans le moment nous étudions la Loi sur le crédit agricole.

M. Lind: Non, je reviens au point que vous aviez soulevé vous-même. Je ne fais que répondre à votre argument.

M. Owen: Alors, si c'est la crème, la crème n'est pas sur le dessus seulement, elle va assez loin. Entre nous et d'autres agences de prêts provinciales, nous avons 100,000 hypothèques sur des fermes. Nous en avons nous-mêmes 68,000. Nous n'allons pas alors saisir toutes ces fermes. Depuis que la Société exploite ses opérations, elle a multiplié par six ses activités et le prix des terres augmente régulièrement. Lorsqu'un exploitant agricole a des difficultés quant à ses versements, au lieu de saisir, sachant que le prix que nous pourrions obtenir ne sera pas aussi raisonnable que celui qu'il peut obtenir, en tant que particulier, si l'exploitant agricole particulier a de la difficulté, il peut vendre et laisser quelqu'un d'autre nous rembourser l'emprunt.

Je suis certain que vous comprenez qu'à part ceux que nous saisissons, il y a des gens à qui l'on peut enlever ces biens, mais à part ces cas-là, il y a des gens qui ont des difficultés de temps à autre et qui sont obligés de vendre leur exploitation et de partir et ils vendent directement à l'acheteur eux-mêmes. La superficie moyenne des fermes sur lesquelles nous faisons des prêts aujourd'hui n'est pas plus grande que la superficie moyenne des fermes canadiennes en général.

M. Lind: Monsieur le président, on s'écarte un peu du sujet. Voici à quoi je veux revenir. Ces mêmes agents qui s'occupent des Blancs, des exploitants agricoles blancs, doivent maintenant traiter avec les exploitants agricoles indiens dans leur collectivité.

[Texte]

Now, how viable are they going to consider our Indians? This is what concerns me. We have to give them a little latitude here; some of them need quite a bit of coaching and guidance when they embark on these extended programs, which I hope they do. Granted that most of your agents are qualified agriculturalists or agronomists, how much help are your farm credit men going to give to the Department of Indian Affairs in coaching these Indians along this line?

Mr. Owen: We have under our normal program a program of supervision and advisory services to a significant percentage of our borrowers. The intensification of the service to an individual depends on his needs and we will certainly do everything we can to assist those who need our assistance here. I would like to go back to something I said earlier—that the capital cost for an Indian farmer to establish a viable business, and therefore the obligations that he will have to carry, would likely be very significantly less than for a man off a reserve who has to buy \$75,000 or \$100,000 worth of land. Therefore we do believe that we can establish viable and developing enterprises with very significantly less capital investment, and therefore on a somewhat smaller business base than otherwise.

Mr. Lind: I cannot understand that because here we are dealing with the Bill to amend the Farm Machinery Syndicates Credit Act. Are we considering that the value of this land, because it happens to be in an Indian community, is not as valuable for production purposes as the White community land maybe a mile away?

• 1110

Mr. Owen: If we are talking about the Farm Machinery Syndicates Credit Act, the only land we are referring to here is for sites for buildings.

Mr. Lind: Yes, that is what I say. You are getting off onto the cost of the land. The farm machinery costs the native Indian just as much as it does the White farmer, does it not? Or can he buy it for less?

Mr. Owen: I think possibly you may have missed the point that I was trying to make. As I understood your question, you were asking if we were going to be lending only to the cream of the crop, and if we were going to be more flexible with respect to lending to Indians. What I was endeavouring to indicate was that the net income to a farm business on a reserve does not have a charge against it for large amounts of capital for land and therefore the repayment ability would be better in relation to the size of the enterprise, and therefore we would expect to be able to make loans under circumstances where the total enterprise of the individual would not be as great as it might otherwise be.

[Interprétation]

Comment est-ce qu'ils vont pouvoir s'arranger avec les Indiens? Quel va être leur degré d'efficacité? Après tout, il leur faut un peu de latitude. Il faut bien entrer en contact avec les Indiens, il faut une certaine orientation avant de se lancer dans des programmes extensibles. J'espère qu'ils vont le faire et bien sûr la plupart de vos agents sont des agronomes qualifiés, et je voudrais savoir combien de conseils, de directions, d'orientations les gens de la Société du crédit agricole vont donner aux gens du ministère des Affaires indiennes quand ils vont traiter avec les Indiens?

M. Owen: Nous avons des services de surveillance et de conseil aux termes de notre nouveau programme qui servent un assez fort pourcentage de nos emprunteurs. On peut faire ce genre de contrôle, mais ça dépend des besoins de l'individu en cause, et nous ferons certainement tout en notre pouvoir pour aider les gens qui ont besoin de notre aide, de notre assistance ici. Je reviens à ce que j'ai dit plus tôt. Le coût d'investissement pour permettre à un Indien de se lancer dans une entreprise rentable est beaucoup moins grand que dans le cas de quelqu'un qui n'habite pas sur une réserve et qui doit acheter pour 75 à 150 mille dollars de terre avant. Nous croyons que nous pouvons établir des entreprises qui réussiront avec des frais initiaux beaucoup moins considérables sur une plus petite base qu'autrement.

M. Lind: Je ne peux pas comprendre votre argument parce qu'ici nous avons une loi qui vise à modifier la Loi sur les prêts aux syndicats de machines agricoles. Peut-être que vous voulez dire que la terre, par exemple, qui se trouve dans les réserves n'a pas autant de valeur que celle qui est à l'extérieur.

M. Owen: Je signale que si nous parlons de la Loi sur le crédit accordé aux syndicats de machines agricoles, les seuls terrains dont nous parlons ici sont des emplacements pour la construction.

M. Lind: Oui, mais vous avez le prix de la terre. La machine agricole coûte aussi cher aux Indiens qu'elle coûte à l'exploitant blanc, n'est-ce pas, ou est-ce que l'Indien a un meilleur prix?

M. Owen: Je pense que vous n'avez pas très bien compris mon raisonnement. Si j'ai bien compris votre question, vous me demandiez si nous prêtions seulement à la crème et si nous avions l'intention d'être un peu plus souples dans nos prêts aux Indiens. Ce que j'essayais de vous faire comprendre c'est que le revenu net d'une entreprise agricole sur une réserve n'est pas grevé de grosses dépenses pour l'achat des terres. Par conséquent, il faut tenir compte de l'envergure de l'entreprise. Nous voulons pouvoir faire des prêts dans cette circonstance d'après lesquels le total de l'entreprise ne coûtera pas aussi cher.

[Text]

Mr. Lind: Providing that all things are equal, that he has the same right to get drainage to the land so that he can get the production up and clear the land, that he has equally as good land to operate on, then I think it applies.

What we are concerned about here is that the Indian farmers in these communities become established on very viable units and that they can borrow this money and produce and have a net return at the end of the year. What I am concerned with is the fact that if your agent has the guarantee of the Department of Indian Affairs, then he does not have to be as rigid as he is with the white farmer.

Mr. Owen: I am not going to disagree with you except that we are expected to take the normal precautions of a lender in making loans in order to have a guarantee.

The Chairman: Gentlemen, I do not want to limit discussion. I think we have pursued this point reasonably well, if you are satisfied Mr. Lind.

Mr. Lind: I am not satisfied yet. I do not know if I ever will be, because I think the Farm Credit Corporation is too rigid in its rules.

Mr. Whicher: Mr. Chairman, may I respectfully point out that if we do not hurry we will all be like that old fellow in the picture over there on the wall.

Mr. Lind: Mr. Chairman, may I bring up a point here right now, that we should limit the witnesses to so much time each day for their period of questioning on this Committee, so that everybody can have a turn.

The Chairman: Do you mean witnesses or members?

Mr. Lind: Members should be limited to the amount of time that they can question the witness.

The Chairman: This is true. There are members, of course, who may not wish to question the witnesses at all and I endeavour, in so far as it is humanly possible to recognize all members in proper order, to be as lenient as possible and yet still maintain some kind of law and order. I realize there may be times when we might be tempted to consider time limits. I think we will avoid it if at all possible. I will make my remarks as brief as possible.

Mr. Lind: I feel in this case, Mr. Chairman, that I have not consumed too much of the Committee time and there are some areas on which I would like to further question, but I will forego that. I think in the

[Interpretation]

M. Lind: Mais s'il a le droit d'avoir des travaux de canalisation, de faire faire du défrichement. Sa terre devrait être aussi bonne. Et à ce moment-là, vous avez les autres.

Mais, ici, voici ce qui me préoccupe. Ces exploitants agricoles indiens, dans les collectivités, peuvent s'établir sur des terres assez fertiles, assez bonnes. S'ils peuvent emprunter ces fonds et produire, à la fin de l'année, naturellement ils peuvent subvenir à leurs besoins et à ceux de leur femme et de leurs enfants. Mais voici ce qui m'inquiète: si votre agent a la garantie du ministère des Affaires indiennes, à ce moment-là, il n'a pas besoin d'être aussi strict qu'il l'est avec l'exploitant blanc.

M. Owen: Naturellement, je ne peux pas dire que je ne suis pas d'accord avec vous, mais il faut prendre les précautions ordinaires d'un prêteur lorsqu'on consent un prêt, pour avoir une garantie.

Le président: Messieurs, je ne veux pas limiter notre discussion, mais je pense que nous avons assez bien discuté de cette question-là. Avez-vous terminé vos questions?

M. Lind: Je ne suis pas encore satisfait. Mais je crois que je ne le serai probablement jamais. Je trouve que la Société du crédit agricole est trop rigide, a des règlements trop stricts.

M. Whicher: Si nous ne nous dépêchons pas, nous allons tous finir comme le bonhomme sur le mur, là.

M. Lind: Monsieur le président, permettez-moi de présenter un argument, ici. Je pense que les témoins devraient être limités, tous les jours, dans leurs réponses aux questions des députés.

Le président: Parlez-vous des députés ou des témoins?

M. Lind: Je pense que les députés devraient avoir un temps de parole donné, chacun à leur tour, pour avoir la chance de parler.

Le président: Il y a des députés qui peuvent ne pas avoir du tout envie de poser des questions aux témoins, et, à titre de président, j'essaie d'être juste et de donner la parole à chaque député dans l'ordre qui convient, et d'être aussi souple, de faire les choses à l'amiable autant que possible, tout en maintenant un peu d'ordre. Je comprends que, dans certains cas, il y a des délais qu'on peut considérer. Autant que possible je tâcherai d'être bref.

M. Lind: Dans ce cas-là, monsieur le président, il y a certains sujets que je voudrais encore aborder. Je ne voudrais pas non plus prendre le temps du Comité. Je pense que, si possible, il faudrait accorder à chaque

[Texte]

interests of all that we should have a round of questioning giving either 10 or 15 minutes to each witness, and then go to the next witness and then let the previous one come back on the second round.

The Chairman: I presume you mean "member" instead of "witness"?

Mr. Lind: Yes, I am sorry.

● 1115

Mr. Douglas: Mr. Chairman, could I ask a supplementary?

The Chairman: A single supplementary, yes.

Mr. Douglas: It is not really a question. It would be a question if the Ministers were here. I do not think it would be proper to address it in the form of a question to the witnesses this morning, but I feel this way myself, and I think we can sense from this meeting that the people present and probably the people of Canada would not object to the departments concerned being more lenient or more liberal, if you will, with regard to lending to Indian farmers because of the fact that at least some of the departments have Indian Affairs resources behind them. I hope if there is any difference under either the Farm Credit Act or the Farm Machinery Syndicates Credit Act, that they will tend to lend to Indian farmers where they might not lend to white farmers under similar conditions.

The Chairman: I think Mr. Owen presented this very clearly. I am not sure that he would want to use the word "lenient"—being more lenient with Indians—but I think he has established the point that the criteria that may be used in assessing the viability on a reservation for an Indian applicant might be somewhat different than the criteria used in assessing the viability off the reservation. Is this not correct Mr. Owen?

Mr. Owen: Yes, that is correct.

The Chairman: I recognize Mr. Muir.

Mr. Muir (Lisgar): My first question, Mr. Chairman, is to Mr. Bergevin on a matter of clarification. Correct me if I am wrong, but I think you said that 27 per cent of the male adult Indian population living on arable land was now engaged in farming. Is that correct? I just want to clarify this.

Mr. Bergevin: This was corrected later by Mr. Churchman.

[Interprétation]

témoin 10 ou 15 minutes et ensuite passer au suivant. Après quoi on reviendrait sur chaque sujet.

Le président: Quand vous dites «témoin», vous voulez dire «député», n'est-ce pas?

M. Lind: Oui.

M. Douglas: Puis-je poser une question supplémentaire, monsieur le président?

Le président: Une seule question supplémentaire, oui.

M. Douglas: Ce n'est pas une question, en fait. Ce serait une question si le ministre était là. Je pense que ce serait inopportun de les poser sous forme de questions aux témoins que nous avons ce matin. Mais je vous dis simplement mon impression. Je pense qu'on peut croire que les députés qui sont ici sont d'accord avec moi. Je pense que la population canadienne ne s'oppose pas du tout à ce que les ministères en cause soient plus libéraux, ou plus souples, ou plus indulgents, lorsqu'ils font des prêts aux Indiens. Justement parce que, du moins, une part des ressources du ministère des Affaires indiennes est consacrée à leur assistance.

Par conséquent, si la Société du crédit agricole et les syndicats agricoles établissent une certaine distinction, on peut être tenté parfois de donner plus aux Indiens qu'aux Blancs.

Le président: Je ne sais pas si M. Owen serait d'accord avec l'expression «indulgent», mais je pense qu'il accepterait parfaitement l'établissement de certains critères, par exemple, sur les réserves, un Blanc ou un Indien peuvent être jugés différemment. Est-ce que c'est exact, monsieur Owen?

M. Owen: C'est exact.

Le président: Je donne la parole à M. Muir.

M. Muir (Lisgar): Monsieur le président, ma première question s'adresse à M. Bergevin. Je veux simplement obtenir des éclaircissements. Je vous prie de me corriger si je me trompe, mais j'ai l'impression que l'on a dit que 27 p. 100 de la population indienne adulte, mâle, qui habite sur les terres arables ne faisait pas de l'exploitation agricole, ne s'engageait pas dans des activités agricoles.

M. Bergevin: M. Churchman m'a corrigé après.

[Text]

Mr. Muir (Lisgar): You have no percentage, then, of the Indians engaged in farming at present on arable land.

Mr. Churchman: No, we do not have the figures with us.

Mr. Bergevin: This is clarified at 27 per cent.

Mr. Churchman: If all the arable land on Indian reserves was brought into production, 27 per cent of the population, no matter whether it is male or not, on those reserves would be involved and make their living out of agriculture.

Mr. Muir (Lisgar): My next question is to you Mr. Churchman: perhaps you will remember that some years ago—and I do not know whether it was a general policy—several of the Indian agents were removed; I do not know whether they all were removed or not. The Indian agent at that time on the small reserves supervised the operation of the Indians' farming, such as soil preparation, seeding, harvesting, and even selling the crop. After his removal, with the exception of some very outstanding Indian farmers who remained in farming, the rest of the Indians had nowhere to go; they quit farming.

The result was that the great majority of these people on the reserves were left with little or nothing to do, and I think we have seen a deterioration in the Indians' attitude since that time. As a matter of fact, that is when the leasing of land to non-Indian farmers started to be of some importance as far as the Indian reserves were concerned. Is it the hope of the Department of Indian Affairs that this situation will be reversed and that the Indians will be encouraged to again farm their reserves and, if so, what about the leases that are now in force with the non-Indian farmers?

I was told yesterday that one lease of a non-Indian having a great percentage of the reserve, where he went in with a bulldozer and took the trees and everything off, runs until 1977. Can these leases be terminated within a reasonable time? With most rental agreements, if one gives notice in the fall, the lease is terminated in the spring. Is this type of lease made with the non-Indian farmers?

● 1120

Mr. Churchman: Mr. Chairman, there are very few leases now that run 10 years. As I said earlier, five years is pretty well the limit. I do not know this specific case, but we have others like it, and where a lease is longer than five years, it is because the lessee is breaking the land. He is starting off with raw land, clearing it, breaking it and bringing it into production, and in return for this he probably gets the first two

[Interpretation]

M. Muir (Lisgar): Alors vous n'avez pas le pourcentage des Indiens qui font de l'exploitation agricole sur les terres arables?

M. Churchman: Non, nous n'avons pas les chiffres.

M. Bergevin: Et c'est 27 p. 100.

M. Churchman: Si toutes les terres arables des réserves indiennes étaient cultivées, 27 p. 100 de la population, mâle ou femelle, de toute façon ça n'a pas d'importance, mais 27 p. 100 de la population des réserves s'engagerait dans des activités agricoles et vivrait de l'agriculture.

M. Muir (Lisgar): Ma question suivante s'adresse à vous, monsieur Churchman. Il y a quelques années, je ne sais pas très bien, c'était une politique d'entente. Mais je sais que certains des Indiens ont été déplacés. Un agent des Indiens, à ce moment-là, qui s'occupait des petites réserves, a surveillé les activités agricoles des Indiens, par exemple, la préparation du sol, et les différentes opérations qui entrent dans une exploitation agricole ordinaire jusqu'à la récolte. Il s'occupait des Indiens qui restaient sur la terre et qui faisaient de l'exploitation agricole. Ceux qui ont été déplacés ont dû partir et faire autre chose.

Ca veut dire que la majorité des gens qui habitaient sur les réserves n'avaient à peu près plus rien à faire. Et je pense que, depuis ce moment-là, les Indiens ont une attitude de moins en moins bonne. Je pense que la location de terrains à des non-Indiens a commencé à prendre une certaine importance sur cela, du point de vue des réserves indiennes. Maintenant, le ministère des Affaires indiennes espère pouvoir changer le cours des événements et permettre de nouveau aux Indiens de travailler leur terre. Et si c'est le cas, qu'arrivera-t-il aux ententes, aux baux qui ont été consentis à des non-Indiens, dans le moment?

Hier, j'ai appris que quelqu'un a décidé d'aller sur une réserve. Il s'est rendu avec un bulldozer pour jeter les arbres par terre et défricher les terres. Son bail se termine en 1977, et je voudrais savoir s'il y a quelque chose, quelque condition de ces contrats qui dit qu'on peut y mettre fin, dans un délai donné. Par exemple, d'après certains accords, si vous donnez avis à l'automne de vos intentions, au printemps vous pouvez rompre ou cesser votre engagement. Est-ce qu'il y a des dispositions du même genre avec les non-Indiens?

M. Churchman: Il y a très peu de baux de dix ans. En général, c'est surtout des baux de cinq ans que nous avons. Je ne sais pas ce qui arrive pour un syndicat, mais je sais que lorsqu'un bail dépasse cinq ans, c'est parce que le locataire défriche. Il commence une terre vierge et il défriche et il laboure et la fait produire. Par conséquent, il perd la récolte des deux premières années. Ça dépend des endroits, évidem-

[Texte]

years crop or something of that nature. It varies from lease to lease. This could account for the longer lease.

Insofar as breaking a lease is concerned, there is no clause in the lease that says it can be terminated just because the Indian wishes to terminate it. I suppose the other way, if the lessee himself no longer wishes it, there is no problem; but if the lessor, which is the Indian, wishes to break it, then he has to have good reason to do it. We have had cases.

There was a case in the West where the Indians felt that the lessees were not living up to their contracts; that they were not performing in accordance with the lease. They called the lessees in and they had a good discussion with them. It ended up with most of them writing a quit claim to their leases and it stopped them.

My point is that these matters have to be negotiated; there is no clause in the lease that says that we can break it or that the Indian can break it just because he wishes to.

Mr. Muir (Lisgar): I wanted to bring this particular matter to your attention because it is alleged that the lease is signed by the former chief, apparently without the consent of the band council, and that the lease runs until 1977. Whether or not there is any truth in it I would like your Department to investigate it.

Mr. Churchman: If you will give me the particulars I will be glad to look into it. However, I should say, for your information, that no lease written or signed by an Indian is valid.

Mr. Muir (Lisgar): Is the lease not made by the band? Who makes the lease?

Mr. Churchman: The lease has to be written in the name of the Queen.

Mr. Muir (Lisgar): This, obviously, is wrong information.

Mr. Churchman: You may have an "out" there; but we enter into leases on behalf of the Indian people at their request. Usually—in fact, in nearly all instances—it is band land with a band resolution, that is, a resolution passed by the chief and council requesting us to do it. But it has to have the signature of the Minister or his representative.

Mr. Muir (Lisgar): In dealing with the band if you get a letter from the chief that this is okay you are prepared to make the lease? Is that right? Or do you have to have the council sign the letter, too?

Mr. Churchman: It has to be a band council resolution.

Mr. Muir (Lisgar): It has to be a band council resolution.

[Interprétation]

ment, et ça dépend des baux, mais ça peut expliquer une durée plus longue.

Mais, pour ce qui est de mettre fin à un contrat du genre, il n'y a aucune disposition qui dit qu'on va y mettre fin, parce que les indiens le veulent. Je suppose que si le locataire lui-même ne veut plus l'avoir, naturellement on rend la terre à l'Indien. Si l'Indien veut mettre fin à un contrat qu'il a, il faut qu'il ait de bonnes raisons.

Des cas intéressants se sont présentés, par exemple, dans l'Ouest, il est arrivé que les indiens trouvent que les locataires ne respectaient pas leur engagement et ne se comportaient pas conformément aux exigences du bail. Alors, ils ont fait venir les locataires, ils ont eu une bonne discussion avec eux. Finalement ce qui est arrivé, c'est qu'ils ont ajouté une clause de rupture de bail et que ça les a arrêtés. Ce que je veux dire, c'est que cela doit être négocié, il n'y a aucune clause dans le bail qui dit que nous pouvons le rompre ou que l'indien peut le rompre sans raison.

M. Muir (Lisgar): Je voulais vous poser cette question car on dit que le bail est signé par l'ancien chef, apparemment sans le consentement du conseil de bande et le bail dure jusqu'en 1977. Je ne sais pas si c'est vrai ou non mais j'aimerais que votre ministère se renseigne.

M. Churchman: Si vous voulez me donner des détails, nous le ferons certainement. Mais je voudrais cependant ajouter pour votre gouverne qu'aucun bail signé par un indien n'est valide.

M. Muir (Lisgar): Mais si ce n'est pas la bande qui rédige le bail, qui est-ce?

M. Churchman: Le bail doit être rédigé au nom de la Reine.

M. Muir (Lisgar): Alors, j'ai de mauvais renseignements.

M. Churchman: Peut-être mais nous ne signons des contrats au nom des indiens que sur leur demande. Il s'agit habituellement des terres de la bande il faut alors avoir une résolution du conseil de bande et du chef le demandant. Il doit porter la signature du ministre ou de son représentant.

M. Muir (Lisgar): En traitant avec la bande, si vous recevez une lettre du chef disant que c'est d'accord, vous êtes prêts à préparer le contrat, n'est-ce pas? Ou est-ce que le conseil doit également signer la lettre?

M. Churchman: Il faut que ce soit une résolution du conseil de bande.

M. Muir (Lisgar): Il faut que ce soit une résolution du conseil de bande.

[Text]

Mr. Churchman: That is the policy.

Mr. Muir (Lisgar): You said that in some cases where the bands have a considerable amount of money you may ask them to put up part of their funds as a guarantee. Would you not consider this to be, in effect, asking the bands to guarantee the integrity of, say, three of their people?

Mr. Churchman: I suppose this could be it.

Mr. Muir (Lisgar): Suppose they do not want to do it. Are you not going to give these three people the loan?

Mr. Whicher: The band does not guarantee under this Act.

Mr. Muir (Lisgar): He guarantees if he puts up part of—

Mr. Whicher: Not under this Act.

Mr. Churchman: The band is not involved under this Act.

Mr. Muir (Lisgar): You are not asking for a guarantee under this Act?

Mr. Churchman: Not from the band, no.

Mr. Muir (Lisgar): That is fine. Is there any possibility of the Department itself appointing responsible Indians as agents of the Department to deal in a supervisory way with Indian bands? I am talking about really responsible Indians, particularly, with whom, perhaps, the band would rather deal. One reads about the bands wondering why more Indians are not being brought into the picture. Is it the hope of the Department that in the future you will be using more of them to deal with their own people?

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Mr. Churchman: Yes, not only are we endeavouring, wherever we can, to get on our staff Indians in administrative capacities to deal with Indians, but our whole program is directed toward having the Indians administer their own affairs, so that we will not be there. We will be in the background, if needed, in an advisory capacity, but the Indian band—the chief and the council—will have to do their own administration.

There are some problems under the present Indian Act. We mentioned the one relative to land a moment ago. They cannot lease their land; that is, an Indian, or a chief, or a band, cannot enter into a lease with anyone. The Act says that the Minister must do it. We are hoping that under the new Act this will be changed and that they will become responsible entities and will lease their own land. The whole program is pointed in this direction.

[Interpretation]

M. Churchman: C'est notre politique.

M. Muir (Lisgar): Vous avez dit que dans certains cas où les bandes ont beaucoup d'argent, vous pouvez leur demander de mettre une partie de leurs fonds en garantie. Est-ce que vous pensez qu'en fait, cela revient à demander à la bande de garantir l'intégrité de disons, trois de ses membres?

M. Churchman: C'est bien possible.

M. Muir (Lisgar): Supposons qu'ils ne veulent pas le faire, si ces trois personnes demandent un prêt, est-ce que vous allez leur accorder?

M. Whicher: Aux termes de cette Loi la bande ne garantit pas.

M. Muir (Lisgar): Elle garantit si elle met une partie de...

M. Whicher: Pas aux termes de la Loi.

M. Churchman: Aux termes de cette Loi, la bande n'est pas engagée.

M. Muir (Lisgar): Aux termes de la présente loi vous ne demandez pas de garantie?

M. Churchman: Pas de la bande, non.

M. Muir (Lisgar): Parfait est-ce que ce serait possible qu'au sein du ministère lui-même, vous nommiez des indiens responsables, agents du ministère, pour traiter avec les bandes indiennes avec un certain pouvoir? Je parle d'indiens responsables avec qui peut-être, la bande préférerait traiter. Je sais qu'on lit beaucoup de choses à ce sujet, les bandes se demandent pourquoi ils ne sont pas plus impliqués dans ces questions-là. Est-ce que le ministère espère qu'à l'avenir, il pourrait se servir de plus en plus des indiens pour traiter avec les leurs.

M. Churchman: Oui. Nous essayons d'avoir des indiens au sein du ministère qui aient des capacités administratives pour traiter avec les indiens. Mais notre programme vise à aider les indiens à arriver finalement à s'administrer eux-mêmes. Nous, nous serions simplement à leur disposition à titre de consultants. Le chef et les conseils de bande feraient eux-mêmes leur propre administration.

L'actuelle Loi sur les indiens nous pose des problèmes. Nous avons mentionné tout à l'heure le problème des terres. Par exemple, ils ne peuvent pas louer leurs terres. Un indien, un chef, une bande ne peut pas contracter de bail avec qui que ce soit. La Loi exige que ce soit le ministre qui le fasse. Nous espérons qu'avec la nouvelle loi, la situation va changer, que les indiens vont devenir des entités responsables qui pourront louer leurs terres. Tout le programme vise à cela.

[Texte]

Mr. Muir (Lisgar): Thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Muir. I recognize Mr. Southam.

Mr. Southam: Some of the information I was going to seek from our witnesses has already been broached by Mr. Muir, but the information put at our disposal this morning indicates that a high percentage of the land suitable for agricultural purposes on Indian reservations is presently being farmed by whites. Could you give us a rough percentage of what that proportion is, Mr. Churchman?

Mr. Churchman: It is about one to three; for every acre that an Indian farmer is farming approximately three are being farmed by non-Indians.

Mr. Southam: I presume, Mr. Churchman, that the white farmers are farming these reservations under lease with the Queen; is that correct?

Mr. Churchman: That is right.

Mr. Southam: This raises the problem which, I think, has been touched on by Mr. Muir. Now that we are developing this legislation to include the Indian farmers and their economy I feel that there is going to be a sort of surge forward. I am in agreement with the principle that is being laid down here, and I can see many of the problems that have been raised and discussed by other members of the committee. What are we going to do about the problem of phasing out the white farmers who are there under lease? How is the Department going to approach this with the white farmers in order to make this land available? You can understand that under this type of legislation the Indians are now possibly going to be anxious to get in and start farming this land that the white farmers have already opened up.

Mr. Churchman: This is something that the Indians themselves have pretty well taken care of. The experience we have had on the Prairies is that Indians are developing a real interest in farming. In their band councils and discussions they are saying, "We want to farm", and as a lease comes up for renewal, or is about to expire, they start preparing to take it over. This is brought to our attention, or the chief and council themselves may do it and tell the lessee "Okay; as of next year, when your lease expires, that is it".

Mr. Southam: What is the average tenure of these leases, roughly?

Mr. Churchman: Five years.

Mr. Southam: Therefore in a matter of about five years they could be all phased out, providing the Indians want to occupy that land; is that so?

[Interprétation]

M. Muir (Lisgar): Merci monsieur le président.

Le président: Merci M. Muir, je donne la parole à M. Southam.

M. Southam: Certains renseignements que j'allais demander à nos témoins ont déjà été obtenus par M. Muir mais les renseignements que nous avons à notre disposition nous montrent qu'un fort pourcentage des terres de la réserve qui sont propres à l'agriculture sont exploitées par des blancs. Pouvez-vous, M. Churchman, nous en donner en gros le pourcentage?

M. Churchman: La proportion est d'environ 1 à 3; c'est-à-dire que pour chaque acre exploité par un indien, vous avez 3 acres qui sont exploités par des non-indiens.

M. Southam: Je suppose, M. Churchman, que ces agriculteurs blancs ont des bails avec la Couronne est-ce exact?

M. Churchman: C'est cela, oui.

M. Southam: Oui, ceci nous ramène à un point qui a été effleuré par M. Muir. Maintenant que nous mettons au point cette législation qui permettra aux indiens de mettre en valeur leur propre économie je pense qu'il va y avoir un grand pas en avant. Je vois tous les problèmes qu'il faut discuter à la suite des questions posées par les autres membres du comité. Comment allons-nous résoudre le problème de l'éviction progressive des agriculteurs blancs qui ont des baux? Comment le ministère va-t-il procéder avec les agriculteurs blancs pour libérer la terre, parce que si je comprends bien, les indiens vont, avec cette nouvelle mesure législative, vouloir faire eux-mêmes l'exploitation des terres commencée par les blancs.

M. Churchman: C'est quelque chose que les Indiens ont bien pris en mains. Dans les prairies, les Indiens ont commencé à s'intéresser énormément à l'agriculture. Dans leurs conseils de bande et leurs discussions ils disent: «Nous voulons faire la culture». Autrement dit, au moment où le temps est venu de renouveler un bail ou lorsqu'un bail arrive presque à terme, les indiens se préparent tout simplement à reprendre la terre. On nous le signale, parfois les chefs et les conseils eux-mêmes le font, ils peuvent tout simplement s'adresser aux locataires et leur dire: «lorsque votre contrat sera terminé l'année prochaine, c'est fini.»

M. Southam: Quelle est la durée moyenne de ces baux en gros?

M. Churchman: Cinq ans.

M. Southam: Cela veut dire que d'ici cinq ans, on peut s'attendre à ce qu'ils soient tous éliminés si les Indiens veulent occuper les terres, n'est-ce-pas?

[Text]

Mr. Churchman: They could, but I do not think the possibilities of this happening on all of them are too great. A lot of them will be, but many Indians, I suppose, are like some of the rest of us—they have the land but they do not wish to farm it themselves.

Mr. Southam: This brings up another question, Mr. Churchman, relative to the White Bear Reservation which is in my area. I have been on it many times. I understand—and I did not realize this until the drought year of 1961—that certain white farmers in the adjacent area have long-term, 99-year leases to go on to the reservations for haying purposes. Altercations developed there in 1961 because some of the Indians who had livestock wished, because of the serious drought, to hay this land themselves, and yet the farmers wanted to reserve the right to come in and hay on these 99-year leases. What happened about that?

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I know it created a certain amount of illwill in that area at that time. It will not happen every year, but this particular year it created a very serious situation.

Mr. Churchman: I am not aware of the fact that there are 99-year leases, sir. I will look into it. Did you say it was White Bear?

Mr. Southam: White Bear Indian Reservation, near Carlyle, Saskatchewan.

Mr. Churchman: I will check and let you know. I know the area.

Mr. Southam: I liked the comments that were brought up by my friend, Mr. Douglas, this morning and Mr. Thomson here with respect to the application of this legislation. I think we are going to have a problem so far as the collateral and financing of these loans is concerned and I want to support their suggestion that we will have to take a very flexible attitude to set up these viable operations for Indians, for the first while at least.

As Mr. Muir pointed out here, there will have to be a lot of supervision in the establishment of these, and this will work in with Mr. Owen, too—between his department and the Department of Indian Affairs to make this whole program work. That is all, Mr. Chairman.

The Chairman: I was prepared to recognize Mr. Lambert but I understand his question has been answered and he withdraws. Mr. Korchinski, I believe you have withdrawn your question?

Mr. Korchinski: I was going to withdraw my question if it meant that we were going beyond the time, but I would like to ask one short question, because many of my questions have been answered, in part anyway.

[Interpretation]

M. Churchman: C'est possible mais je pence que les risques ne sont pas si grands. Cela va arriver, oui, mais dans certains cas les Indiens, comme nous, ont la terre mais ne veulent pas la cultiver eux-mêmes.

M. Southam: Cela me mène à une autre question M. Churchman, concernant la réserve de White Bear qui est dans ma région et où je suis allé souvent. Je comprends (et je ne l'avais pas réalisé avant la sécheresse de 1961) que les agriculteurs blancs de la région ont des bails de 99 ans les autorisant à couper du foin sur la réserve. Il y eut des altercations avec les Indiens qui avaient du bétail et voulaient en raison de la sécheresse reprendre leur foin et les agriculteurs voulaient que soient honorés leurs baux de 99 ans. Qu'advient-il de ces cas? Il ne se produisent que dans des cas exceptionnels, mais ils sont sérieux.

M. Churchman: Je ne connaissais pas ces baux de 99 ans, je vais étudier la question. Vous avez dit White Bear?

M. Southam: Réserve indienne de White Bear, près de Carlyle, Saskatchewan.

M. Churchman: Je vérifierai et je vous ferai savoir. Je connais la région.

M. Southam: M. Douglas et M. Thomson (Battleford-Kindersley) ont soulevés des points qui m'ont intéressé au sujet de l'application de cette mesure. J'ai l'impression que nous allons avoir des difficultés pour les collatéraux et le financement de ces prêts. J'appuie leurs suggestions. En effet, je trouve que nous devons adopter une attitude très souple pour établir ces institutions valables pour les Indiens, au moins au début.

Et, comme M. Muir l'a dit ce matin, il faudra beaucoup de contrôle dans leur établissement. Je suis certain que les deux ministères vont collaborer pour mener à bonne fin ce programme. Merci.

Le président: Merci, monsieur Southam.

J'allais céder la parole à M. Lambert, mais, je crois comprendre qu'on a déjà répondu à sa question. Monsieur Korchinski, vous avez retiré votre question?

M. Korchinski: J'allais la retirer, mais j'aurais quand même une courte question à poser, car la plupart de mes questions ont été répondues en partie.

[Texte]

One thing disturbs me and is not too clear. In a case where the Farm Credit Corporation is quite willing to grant a loan, is it almost automatic with the Department of Indian Affairs that they proceed?

Mr. Bergevin: Yes.

Mr. Korchinski: You do not visualize any cases where you would say, "Just a minute here; I think we have to hold back".

Mr. Churchman: We have complete faith in the Corporation's ability.

Mr. Korchinski: That is all I have to say.

The Chairman: Mr. Gleave, did you have a question?

Mr. Gleave: Just a brief one. In a case, Mr. Churchman and Mr. Bergevin, where you make a loan to a band I suppose you pledge, to an extent, the band resources. Will you then have enough flexibility? Suppose two or three other residents on the reserve say, "We also want to take out a loan jointly". Let us take a hypothetical situation; you have made a loan to the band as such to develop the land on that reserve, and perhaps three or four people want to develop a hog operation, or something of this nature. Will you have enough flexibility to do both?

Mr. Bergevin: I believe any proposal coming from the band or from a group of Indians in a reservation for a specific project—for example, the one you used there—will be looked at on its own merits. We look to see if it is economically viable. I do not think the department has any interest in making, and it would not be in the interest of the Indians to make, grants or loans on things which are not economically viable. We are not helping the situation any; we are just displacing trouble, I think.

Of course, whenever the Farm Credit Corporation comes up with specific recommendations for a loan, it is automatic for us; it will be all right. However, whenever they come up with another proposition, such as your example which, of course, is absolutely not acceptable by the Farm Credit Corporation, we are going to have a close look at it too. We want to help the Indians with economically viable projects.

But we have perhaps, let us say, easier standards and more flexible standards than—

Mr. Gleave: But the fact that a loan has been made to the band as such will not preclude separate loans to Indians?

Mr. Bergevin: No, definitely not. Each case will be looked at on its own merits.

[Interprétation]

Une chose qui m'ennuie et qui n'est pas très claire, c'est que lorsque la Société de crédit agricole semble très disposée à accorder un prêt, le ministère des Affaires indiennes l'accepte presque automatiquement, n'est-ce pas?

M. Bergevin: Oui.

M. Korchinski: Et, il n'arrive pas de cas où vous contesteriez?

M. Churchman: Non, nous avons foi dans la compétence de la Société de crédit agricole.

M. Korchinski: Merci, c'est tout ce que j'avais à dire.

Le président: Monsieur Gleave, est-ce que vous avez une question à poser?

M. Gleave: Monsieur Churchman ou Bergevin, lorsque vous faites un prêt à une bande, je pense que vous engagez les ressources de la bande, mais est-ce que vous aurez suffisamment de souplesse? Supposons que 2 ou 3 autres résidents de la réserve disent qu'ils voudraient obtenir un emprunt conjointement. C'est un cas hypothétique. Alors que vous faites un emprunt à l'ensemble de la bande pour aménager les terres de la réserve, et que trois ou quatre d'entre eux veulent faire de l'élevage de porcs ou quelque chose de semblable. Est-ce que vous aurez suffisamment de souplesse pour satisfaire les deux à la fois?

M. Bergevin: Je pense que toute proposition faite par la bande ou par un groupe d'Indiens d'une réserve, en vue d'un projet déterminé, sera étudiée en fonction de ses mérites et de sa rentabilité.

Je ne pense pas que le ministère ait intérêt et à accorder, ni les Indiens à obtenir des emprunts pour des choses qui ne sont pas rentables. Cela n'améliore pas la situation. On ne fait que changer le mal de place.

Lorsque la Société recommandera un prêt ce sera automatique de notre part. Mais, lorsqu'il présenterons une autre proposition, comme votre exemple, qui n'est absolument pas acceptable aux yeux de la Société de crédit agricole, nous allons l'étudier soigneusement. Nous voulons aider les Indiens, mais pour des projets rentables.

Mais peut-être que nous avons des normes moins sévères et plus souples que...

M. Gleave: Mais le fait que le prêt ait été accordé à la bande en tant que telle n'empêchera pas d'accorder des prêts à des Indiens en particulier.

M. Bergevin: Non, non, chaque cas sera étudié séparément.

[Text]

The Chairman: Thank you, Mr. Gleave. I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, I have two short questions. One I think I should direct to Mr. Owen, and perhaps it is one that only the Minister could answer, but Mr. Owen might have some definite knowledge of it.

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When this change in the policy was broached, were the terms or conditions as prescribed here talked over, or negotiated, or made available to the various Indian bands concerned or to the Department of Indian Affairs and Northern Development for consultation?

Mr. Owen: You are referring to the terms of the amendment?

Mr. Danforth: Yes.

Mr. Owen: The matter of the amendment was discussed with representatives of the Department of Indian Affairs. The terms and conditions on which loans are to be made have not yet been discussed—the terms of this amendment—with representatives of Indians, because this is really only an enabling amendment. . .

Mr. Danforth: I appreciate that.

Mr. Owen: . . . which permits a guarantee. The actual making of loans or the procedures and ways in which we will go about dealing with Indians on reserves will be considered with them and, in fact, we will be arranging for consultations with them. Once we have this background authority we will be able to do something.

Mr. Danforth: Mr. Chairman, the desirability and the purpose behind this particular amendment must have been based on either some specific negotiation through the Department of Indian Affairs by the Indians themselves to procure this legislation—it must have been broached on that—or perhaps it may have been caused by Indians requesting this type of loan and finding that they did not, under the former Act, come under the regulations. What was the basis of this?

Mr. Owen: This arose, really, as a result of a somewhat similar provision in the Farm Credit Act. Now, the provision in the Farm Credit Act resulted from discussions over quite a long period of years—requests, considerations as to how adequate farm mortgage credit facilities could be made available to any of the farmers on reserves—and many of the requests and suggestions that this ought to be done came from Indian persons. I suggest possibly the gentlemen from Indian Affairs might wish to corroborate, disagree with me or enlarge.

[Interpretation]

Le président: Merci, Monsieur Gleave, Monsieur Danforth à la parole.

M. Danforth: Monsieur le président, deux questions très brèves. D'une part, j'aimerais en poser une à M. Owen: peut-être que seul le ministre pourrait y répondre, mais peut-être que M. Owen connaît quelque chose à ce sujet.

Lorsque ce changement de politique a été envisagé, est-ce que les conditions prescrites ici ont été discutées ou communiquées aux bandes intéressées ou au ministère des Affaires indiennes?

M. Owen: Est-ce que vous parlez des conditions de l'amendement?

M. Danforth: Oui.

M. Owen: La question de l'amendement a été discutée avec les représentants du ministère des Affaires indiennes. Les conditions et les termes des prêts n'ont pas encore été discutés, avec les représentants des Indiens parce que, en fait, il s'agit simplement d'un amendement qui va habiliter l'organisme. . .

M. Danforth: C'est ce que je voulais savoir.

M. Owen: . . . à offrir des garanties. Les prêts eux-mêmes et les procédures seront étudiées avec les Indiens, et en fait, on prévoit des consultations. Lorsque nous serons investis de cette autorité, nous pourrions faire quelque chose.

M. Danforth: Monsieur le président, l'opportunité et le but de cet amendement sont certainement le fruit de négociations, au sein du ministère des Affaires indiennes, par les Indiens qui voulaient une loi de ce genre. C'est peut-être dû aux Indiens qui ont fait une demande de prêt qui se sont aperçus que, en vertu de l'ancienne Loi, ils n'étaient pas admissibles.

M. Owen: En fait, la question est venue d'une disposition semblable de la *Loi sur le crédit agricole*, qui avait découlé de discussions étendues sur plusieurs années, quant aux possibilités de mettre sur pied un système de prêts hypothécaires aux agriculteurs des réserves, et un grand nombre des demandes venaient des Indiens eux-mêmes.

Est-ce que le fonctionnaire des Affaires indiennes est d'accord avec moi?

[Texte]

Mr. Churchman: That is correct. We had some individual cases of people who tried to get loans, not only from the Farm Credit Corporation but from banks and other lending institutions. They could not get them because they could not give them mortgage security. This, of course, has been brought to our attention over the years. One of the matters that is being discussed in the consultation meetings that are at present being held with Indians across the country in relation to the Indian Act itself is the matter of credit, so there is this kind of discussion going on.

Apropos what Mr. Owen said, the next step after the legislation comes into effect—I think the Farm Credit Corporation legislation is already passed; we are now working with the Corporation—will be the process of trying to set up what you might call consultation meetings with representatives of the Indians who are actually farmers to discuss with them the terms of the agreement we will be entering into with the Farm Credit Corporation.

Mr. Danforth: This is the information I was seeking, Mr. Chairman. I have one more question; it is based on the intent of the amendment itself and the practical application of it.

There is no question in anyone's mind that the principle of this particular amendment is to place the Indian farmer in the same category as the white farmer. Is it not a fact that once this amendment is approved the white farmer becomes the second class citizen?

Mr. Churchman: It is his turn, maybe.

Mr. Danforth: I am not going to argue that point.

Mr. Churchman: I said "maybe".

● 1140

Mr. Danforth: Is it not really a fact that it puts the white farmer in the position, when he borrows money under the Farm Syndicates Credit for the purposes as set out in this Act, that if the syndicate becomes delinquent, the ultimate result could be, as I think Mr. Lind was pointing out earlier, the disposal of his property to make settlement under the provisions of the loan?

Since the credit is really backed by the Department of Indian Affairs and Northern Development where the Indians are concerned, if there is any outstanding obligation it is backed by the Department of National Revenue of the Government of Canada.

Mr. Bergevin: Mr. Chairman, as I said previously, we have not settled all the legal issues that this will involve the Department in. But I think the way it will go is that the farmer will obtain from the band a certificate of possession, and after that he will make the lease with the Minister. The Department will have

[Interprétation]

M. Churchman: C'est exact. Nous en avons eu des exemples de gens qui ont voulu obtenir des prêts, non seulement de la Société du crédit agricole, mais même des banques et d'autres institutions de crédit. Mais ce n'était pas possible parce qu'ils ne pouvaient pas offrir de garanties hypothécaires. Ces situations ont été portées à notre attention, et il y a eu des consultations avec les Indiens dans tout le pays dans le cadre de la *Loi sur les Indiens*, quant à la question du crédit. Il y a donc des discussions.

Au sujet de ce qu'a dit M. Owen, je pense qu'après que la loi sera votée—je crois que c'est déjà fait dans le cas de la *Société de crédit agricole*, avec laquelle nous travaillons, nous allons chercher à avoir des consultations avec des agriculteurs indiens afin de discuter avec eux les termes de l'accord, qu'ils passeront avec la Société du crédit agricole.

M. Danforth: C'est le genre de renseignements que je voulais, monsieur le président. Une autre question sur la portée de l'amendement et de son application pratique.

Il ne fait aucun doute pour personne que le principe de cet amendement est de mettre le cultivateur indien dans la même catégorie que les autres. Mais, est-ce qu'il n'est pas exact que, si cet amendement est adopté, le cultivateur blanc deviendra un citoyen de deuxième ordre?

M. Churchman: C'est peut-être son tour de l'être.

M. Danforth: Ce n'est pas à moi de le dire.

M. Churchman: J'ai dit «peut-être».

M. Danforth: Mais, n'est-il pas exact que cela place le cultivateur blanc, lorsqu'il va faire un emprunt, en vertu du Crédit aux syndicats agricoles, dans une situation telle que si le syndicat s'aperçoit qu'il y a contentieux, et bien le résultat pourrait être, comme l'a dit M. Lind précédemment, la saisie de sa propriété conformément aux dispositions du prêt.

Alors que dans le cas des indiens dont le crédit, en fait, garanti par le ministère des Affaires indiennes, s'il y a encore un contentieux, il sera payé par le ministère du Revenu national du gouvernement du Canada.

M. Bergevin: Comme j'ai dit précédemment, monsieur le président, nous n'avons pas encore réglé tous les aspects juridiques de la question. Je pense que le fermier obtiendra de la bande un certificat de possession, après quoi il ira signer le bail avec le ministre. Les conditions du bail seront discutées entre le

[Text]

to discuss the terms of this lease between the farmer and the Indian band, and put some conditions in the lease that the Indian band would accept. Then if he defaults, perhaps the band will be in a position to cancel its certificate of possession, and we would put somebody else in to keep it going. Otherwise I do not think we would be legally in a position to seize. It is very difficult, but this is not the final answer. These are avenues we are looking at.

Mr. Danforth: But with Indians it would be ultimately the same as with other farmers. I am satisfied, Mr. Chairman.

The Chairman: Thank you Mr. Danforth. Thank you gentlemen. That concludes my list of questions.

Mr. Whicher: May I say one word, Mr. Chairman. I agree completely of course with people who stress to the farm people and also the Department of Indian Affairs that we must be somewhat lenient with Indians to get them started. But on the other hand I want to give a word of caution. I know many of these fellows, and it grieves me when I see the Department of Indian Affairs giving them houses when they are supposed to finance the houses and are asked to return \$20 a month. I know dozens of cases where they have not paid back one nickle.

It is a great thing to lend them the money, but one thing they have to realize is that it has to be paid back. I have been involved in business for a long time and I think that you do not do a person a favour when you lend him money that he has no chance of paying back. Although I agree that we have to be somewhat more lenient to get them started, give them the opportunity and the advice, nevertheless the loan still has to be paid back. When the Department of Indian Affairs and the Farm Credit Corporation drill this into them, I think you will be doing them a favour, but not by giving them the money and letting them get away with it.

The Chairman: Thank you, Mr. Whicher. Gentlemen that concludes my list of questions. Shall the amendment carry?

Amendment agreed to.

Clause 3 as amended agreed to.

On Clause 4

Mr. Danforth: Mr. Chairman, I think there are some question on Clause 4.

Under Clause 4 I have questions on the terms of the loan. Under the clause, Mr. Chairman, 15 years is stipulated, and I have heard 7 years and 5 years put forward. Is this left entirely to the discretion of the Corporation, or is this a matter of prescription under the law?

Mr. Owen: The prescription under the bill sets the maximum time. In our negotiations, depending on the

[Interpretation]

ministère, le cultivateur et la bande indienne. S'il y a défaut, la bande pourra peut-être annuler son certificat de possession, et nous mettrons quelqu'un à la place pour le continuer. Autrement, je ne pense pas que nous serions dans une position légale pour saisir. C'est difficile, mais ce n'est pas la réponse finale, nous cherchons encore.

M. Danforth: Mais les Indiens sont des fermiers comme les autres. Merci, monsieur le président.

Le président: Je vous remercie, messieurs, ceci termine notre liste d'orateurs.

M. Whicher: Puis-je dire un mot, monsieur le président; je suis parfaitement d'accord avec les gens qui disent qu'il faut être assez souple à l'égard des indiens pour leur permettre de démarrer; je voudrais malgré tout dire quelques mots de prudence, je connais ces gars-là et je suis déçu de voir ce qu'a fait le ministère des Affaires indiennes, par exemple. Il leur a été donné des maisons, qu'ils sont supposés payer à raison de \$20 par mois. Je connais des douzaines de cas où pas un centime n'a été payé.

Autrement dit, ce que je veux dire, Monsieur le président, c'est une chose que de leur prêter de l'argent, mais d'autre part c'est tout autre chose que de leur faire comprendre qu'il faut le rembourser. J'ai été en affaires longtemps et je sais que ce n'est pas faire une faveur à quelqu'un que de lui prêter de l'argent qu'il ne pourra pas rembourser. Je ne veux pas dire qu'il ne faut pas leur donner la possibilité de démarrer; donnons-leur l'occasion et les conseils mais de toute façon exigeons qu'ils remboursent. Si on commence à leur faire comprendre cela, on leur rendra un service.

Le président: Merci, monsieur Whicher. Messieurs nous avons donc fini les questions pour ça maintenant.

L'amendement est adopté.

Article 3 tel qu'amendé, adopté.

L'article 4.

M. Danforth: Monsieur le président, j'ai une question à poser sur l'article 4. Il est dit dans cet article que la période est de 15 ans et on a mentionné 7 ans et 5 ans. Est-ce laissé à la discrétion de la Société ou précisé par la Loi?

M. Owen: La durée fixée par la Loi est la durée maximale; il y aura des variantes en fonction des

[Texte]

nature and type and purpose of the loan, we may limit that time. This sets the maximum, and within our judgment we may work below the maximum.

Mr. Danforth: Therefore you have discretionary powers within the gamut set out in the Act?

Mr. Owen: Yes.

Mr. Danforth: And it is possible, when loans are made, to prepay, but not possible to be delinquent?

Mr. Owen: When the loans are made they can be prepaid. Sometimes they are delinquent and we go after them. Depending on their circumstances, we carry some that are delinquent. But they have the right to prepay without notice at any time.

• 1145

Mr. Danforth: Speaking of the delinquency, Mr. Chairman, and this is important whether it be a white farmer or an Indian farmer, is there a discretion left in the hands of the Minister or the Department where there is delinquency? Even in the best of credit risks, there are circumstances which almost make it impossible to make certain payments at prescribed times. Would consideration be given to exceed the maximum as set out in the terms of repayment?

Mr. Owen: There is no provision to do so at the time of the making of the loan. Once the loan has been made and circumstances arise, we have the power to make arrangements, to grant extensions of time and revise or amend or renegotiate any mortgage or other agreement.

Mr. Danforth: We are dealing with the syndicate agreement only, and I will confine my question to the syndicate. Have there been instances in which requests have been made for extensions?

Mr. Owen: I am not aware of any instance of a request for an extension. I am aware of instances where requests have been made for deferment of an instalment, in other words a request to pay not now but next spring. But I am not aware of any instances where we actually extended the repayment period beyond, say, seven years.

Mr. Danforth: Mr. Owen, is it fair to say that the syndicate bill has perhaps not been in operation long enough for people to reach the limit of the period that is prescribed?

Mr. Owen: This is possible, because it has been on the go for only four years. On the other hand, so far we have been lending only on machinery, and in most instances machinery ought to be paid up within less than seven years. We would take quite a long look at

[Interprétation]

conditions particulières du prêt. Comme on dit il s'agit là d'un maximum et à notre avis nous pouvons jouer en deçà du maximum.

M. Danforth: Autrement dit, vous avez des pouvoirs discrétionnaires en vertu de la Loi même.

M. Owen: Oui.

M. Danforth: Et il est, par conséquent, possible lorsque des prêts sont accordés, de les rembourser d'avance, mais non pas de s'esquiver?

M. Owen: Oui, ils peuvent être remboursés par anticipation. Lorsque les emprunteurs cherchent à s'esquiver on y voit. Selon les circonstances, on peut leur permettre d'être en retard dans leurs paiements. Ils ont le droit de rembourser par anticipation à n'importe quel moment.

M. Danforth: Au sujet des paiements en retard, monsieur le président, c'est certainement une question très importante que ce soit pour un blanc ou un Indien; le ministre ou le ministère dispose-t-il de pouvoirs lorsqu'il y a un non-paiement? Même dans les meilleures conditions de crédit, il y a toujours des circonstances qui empêchent de faire les versements à temps. Est-ce qu'on envisage la possibilité d'accorder un délai aux termes du contrat?

M. Owen: Cela n'est pas prévu au moment d'accorder le prêt. Mais si lorsque le prêt a été accordé, le cas se présente, nous pouvons modifier les conditions, accorder des délais, réviser, amender ou renégocier les hypothèques ou tout autre contrat.

M. Danforth: Nous ne parlons que de l'entente sur les syndicats; je vais restreindre ma question aux syndicats. Est-ce qu'il y a eu des circonstances où l'on a présenté des demandes d'extension?

M. Owen: Je ne connais pas de cas de ce genre, c'est-à-dire de demandes d'extension. Je connais des cas où on a demandé de retarder un versement, une demande de payer le printemps suivant. Mais je ne connais pas de cas où on ait accordé un délai au delà de la période de sept ans.

M. Danforth: Est-ce qu'il serait juste de dire, monsieur Owen, que le projet de loi sur les syndicats n'est peut-être pas en vigueur depuis suffisamment de temps pour qu'on ait dépassé la période prescrite.

M. Owen: C'est possible, car il y a seulement quatre ans que cela est en vigueur. Mais jusqu'à présent, nous n'avons fait de prêts que pour les machines, et, le plus souvent, les machines devraient être remboursées dans les sept ans. Par conséquent, on ferait très attention si

[Text]

somebody who wanted to take eight or nine years to pay for a tractor.

Mr. Danforth: May I be permitted one more question, Mr. Chairman. I know that the Act gives power to the Corporation to demand such security as it deems necessary. May I ask if there is any other yardstick used, other than the actual credit rating of the individual. For example, if a syndicate is borrowing 50 per cent of the total price of the equipment, surely there would not be the same considerations for backing and guarantee as far as property is concerned as there would be where the syndicate was putting in perhaps only 20 per cent of its own funds and leaving 80 per cent liability with the Corporation. What consideration is given in that regard?

Mr. Owen: This certainly would influence our decision as to how much security we might require. For example, in dealing with machinery, unless there was a particularly poor credit rating for the syndicate as a whole, we would not even take a mortgage against the machinery; we would simply take the signatures on the loan.

Mr. Danforth: I know this is a concern of individuals contemplating a loan because although they wish to buy new equipment, very often they are very loath to tie and entail in any way the properties they have. When it is found necessary, since the power is granted in this Act to demand such other security as may be deemed necessary, what circumstances would be involved for other than the machinery or the building? Would this type of chattel mortgage be all that was absolutely necessary?

Mr. Owen: To date we have never required anything beyond the signature and the chattel mortgage on the machinery. It could be possible that some circumstances might arise, particularly when we are dealing with incorporated bodies, in which we would obtain the personal signatures of the individuals, which would be additional security. In certain cases we require public liability insurance for a machine which might be used on the highways, and this sort of thing. These are the kinds of securities I mean. We have never taken a mortgage against a man's land for the purchase of machinery under this bill.

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The Chairman: Thank you, Mr. Danforth. Mr. Lambert.

M. Lambert (Bellechase): Monsieur le président, dans le cas des syndicats de machines agricoles, je suppose le fait, par exemple, de trois producteurs qui s'associent pour acheter de la machinerie, ce sont des producteurs de pommes de terre, et on sait que depuis trois ans environ, ce marché n'est pas excessivement bon. Vient un moment où ils ne sont pas en mesure de rencontrer leurs obligations, qu'arrive-t-il à ce moment-là?

[Interpretation]

quelqu'un demandait douze, huit ou neuf ans pour rembourser un tracteur.

M. Danforth: Une dernière question, monsieur le président, si vous me le permettez. Je sais que la Loi donne à la Société pouvoir d'exiger les garanties qu'elle estime nécessaires. Est-ce que l'on utilise d'autres critères que la cote de solvabilité de la personne en cause? Supposons qu'un syndicat emprunte 50 p. 100 du prix total du matériel qu'il achète. On ne va certainement pas demander les mêmes conditions de garantie, en ce qui concerne les biens disponibles, que si le syndicat payait seulement 20 p. 100 lui-même et laissait les 80 p. 100 complémentaires au soin de la Société. Quelle attitude adopte-t-on dans ces cas-là?

M. Owen: Cela influencerait certainement sur votre décision pour ce qui est des garanties que nous demanderions. Par exemple, en ce qui concerne les machines, nous n'imposerions même pas une hypothèque, à moins que l'ensemble du syndicat n'ait une cote de solvabilité particulièrement mauvaise; nous demanderions seulement des signatures sur le prêt.

M. Danforth: Je sais que c'est ce qui inquiète les gens qui envisagent de faire un emprunt. Bien qu'ils veuillent acheter de nouvelles machines, ils hésitent toujours à mettre leurs biens en gage. Lorsque l'on estime nécessaire de demander des garanties supplémentaires, puisque cette Loi l'autorise, de quoi s'agit-il, en dehors des machines et des bâtiments? Est-ce que seul ce genre d'hypothèque sur les biens est absolument nécessaire?

M. Owen: Jusqu'à présent, nous n'avons jamais rien demandé d'autre qu'une signature et une hypothèque sur les machines. Il se pourrait que dans certains cas, en particulier lorsque nous avons affaire à des sociétés, nous demandions la signature personnelle de tous les membres, ce qui constituerait une garantie supplémentaire. Dans certains cas, nous demandons une assurance tous risques, en cas d'accidents sur les routes, etc. Voilà le genre de garantie supplémentaire que nous demandons, mais on n'a jamais demandé de garantie sur le terrain de l'individu.

Le président: Merci, monsieur Danforth. Monsieur Lambert.

M. Lambert (Bellechase): Mr. Chairman, is the case of Farm Machinery Syndicates, let us suppose, for instance, that three farmers get together to purchase machinery. They are potato growers, and we know that for the past three years the market for potatoes has been a very good one. There comes a time when they are not in a position to meet their obligation. What will happen then?

[Texte]

La Société poursuit-elle, procède-t-elle à une vente forcée de la machinerie et ensuite a-t-elle encore un recours contre ces gens qui se sont associés?

Mr. Owen: The situation would depend entirely upon the merits of the individual syndicate in the way they had been handling their obligations, in the way they had been handling our equipment and in the way they were carrying on their operations.

If we decided that we could no longer carry the account in arrears and had to take some action to realize the return of our funds, we would have two openings and we could take one or both of them.

We could take action to repossess the machinery involved and sell it or to require the syndicate members to sell it, or we could take action by getting a judgment against the individuals who signed the note and register that judgment against the property which they may own. Or, we could take both actions; it would all depend on the individual case which action we think would be the most expeditious and the most reasonable as between ourselves and the creditor.

M. Lambert (Bellechasse): Une question supplémentaire, monsieur le président. Y aurait-il possibilité à ce moment-là, étant donné que la situation est un peu difficile, que les intéressés puissent renégocier avec la Société pour avoir une extension afin de leur permettre d'espérer en une année meilleure, l'année suivante, par exemple?

M. Owen: Oui, c'est possible s'ils peuvent conclure un arrangement raisonnable et nous assurer qu'ils peuvent respecter les nouveaux arrangements qu'ils ont faits.

M. Lambert (Bellechasse): Est-ce que cela s'est déjà présenté?

M. Owen: Oui.

M. Lambert (Bellechasse): Merci.

The Chairman: Thank you, Mr. Lambert.

Clauses 4 to 6 inclusive agreed to.

Clause 1 agreed to

Title agreed to.

The Chairman: Shall I report the bill as amended?

Some hon. Members: Agreed.

The Chairman: Thank you, gentlemen. That concludes our consideration of Bill C-112. The meeting this afternoon will be cancelled. You will be advised of subsequent meetings and this meeting is adjourned to the call of the Chair. Thank you very much.

[Interprétation]

Will the Corporation undertake procedures, force the sale of the machinery, and then does it still have any further claim against the people concerned who became associated?

M. Owen: La situation dépendra absolument des qualités, des mérites du syndicat, de la manière dont ce syndicat a répondu à ses obligations, de la manière dont il a traité les machines lorsque l'exploitation marchait.

Si nous décidons qu'on ne peut pas poursuivre des arrérages de ce genre et qu'il faut entreprendre une action pour pouvoir obtenir le remboursement de nos fonds, nous avons deux possibilités. On peut prendre l'une ou l'autre ou les deux.

On peut d'une part lancer une action pour rentrer en possession des machines intéressées et les vendre, ou bien exiger que les membres du syndicat les vendent et nous les retransmettent, ou bien on peut obtenir un jugement en justice contre les individus qui ont signé le papier, et on utilise ce papier contre les biens qu'ils peuvent posséder ou bien on fait l'un et l'autre. En fait, cela dépend absolument du cas particulier, de la mesure la plus rapide et la plus raisonnable, selon nous.

Mr. Lambert (Bellechasse): A supplementary, Mr. Chairman. Would it be possible in this case, since the situation is somewhat difficult, that the people concerned can renegotiate with the Corporations to have an extension, hoping that the next year will be better, for instance?

Mr. Owen: Yes, that is possible if they can give us a reasonable arrangement and if they can give us the assurance that they will be able to meet the new arrangements that they have made.

Mr. Lambert (Bellechasse): Has this happened already?

Mr. Owen: Yes, it has.

Mr. Lambert (Bellechasse): Thank you.

Le président: Merci monsieur Lambert.

Les articles 4 à 6 inclusivement sont adoptés.

L'article 1 est adopté.

Le titre est adopté.

Le président: Dois-je soumettre le projet de loi tel qu'il est amendé?

Des voix: D'accord.

Le président: Messieurs, je vous remercie; nous avons terminé l'étude du projet de loi C-112. La réunion de cet après-midi est annulée; vous serez avisés des réunions ultérieures. La séance est levée, jusqu'à nouvelle convocation du président. Merci beaucoup.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 22

TUESDAY, MARCH 4, 1969

LE MARDI 4 MARS 1969

Respecting

Concernant

Estimates (1969-70) relating to the
Department of Agriculture

Budget de 1969-1970 concernant le ministère
de l'Agriculture

Including Indices to proceedings re:
Bills C-155, C-154, C-157, C-156
and C-112.

Y Compris l'index concernant: les Bills
C-155, C-154, C-157, C-156
et C-112.

Appearing:

Minister of Agriculture

Hon. H. A. Olson

A comparu:

Ministre de l'Agriculture

WITNESSES—TÉMOINS

(See Minutes of Proceedings)

(Voir les procès-verbaux)

THE QUEEN'S PRINTER, OTTAWA, 1969
L'IMPRIMEUR DE LA REINE, OTTAWA, 1969

STANDING COMMITTEE ON
AGRICULTURE

Chairman
Vice-Chairman

and Messrs.

Barrett,
Clermont,
Cobbe,
¹ Côté (Richelieu),
Cyr,
Danforth,
Douglas (Assiniboia),
Foster,
Gauthier,
Gleave,
³ Horner,

Mr. Bruce S. Beer
M. Marcel Lessard
(Lac-Saint-Jean)

Howard (Okanagan
Boundary),
Korchinski,
Lambert (Bellechasse),
La Salle,
Lind,
McKinley,
Moore (Wetaskiwin),
Muir (Lisgar),
Peters,
² Pringle,

COMITÉ PERMANENT DE
L'AGRICULTURE

Président
Vice-président

et MM.

Roy (Laval),
Southam,
Stewart (Okanagan-
Kootenay),
Thomson (Battleford-
Kindersley),
Whelan,
Whicher,
Yanakis—30.

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

¹ Replaced Mr. Lefebvre on March 3, 1969.

² Replaced Mr. LeBlanc (Rimouski) on March 3, 1969.

³ Replaced Mr. Downey on March 4, 1969.

¹ Remplace M. Lefebvre le 3 mars 1969.

² Remplace M. LeBlanc (Rimouski) le 3 mars 1969.

³ Remplace M. Downey le 4 mars 1969.

ORDER OF REFERENCE

THURSDAY, February 20, 1969.

Ordered,—That Votes 1, 5, 10, 12, 15, 17, 20, 25, 30, 35, 40, 45, 50 and 51 relating to the Department of Agriculture;

Vote 55 relating to the Canadian Dairy Commission;

Votes 60 and 65 relating to the Canadian Livestock Feed Board; and

Vote 70 relating to the Farm Credit Corporation be referred to the Standing Committee on Agriculture.

ATTEST:

Le Greffier de la Chambre des communes

ALISTAIR FRASER

The Clerk of the House of Commons.

ORDRE DE RENVOI

Le JEUDI 20 février 1969

Il est ordonné,—Que les crédits n^{os} 1, 5, 10, 12, 15, 17, 20, 25, 30, 35, 40, 45, 50 et 51 concernant le ministère de l'agriculture;

Le crédit n^o 55 concernant la Commission canadienne du lait;

Les crédits n^{os} 60 et 65 concernant l'Office canadien des provenances; et

Le crédit n^o 70 concernant la Société du crédit agricole soient renvoyés au comité permanent de l'agriculture.

ATTESTÉ:

[Text]

MINUTES OF PROCEEDINGS

TUESDAY, March 4, 1969.
(25)

The Standing Committee on Agriculture met at 9:44 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas (*Assiniboia*), Foster, Gleave, Horner, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), Lind, McKinley, Moore (*Wetaskiwin*), Muir (*Lisgar*), Peters, Pringle, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Whicher.—(21)

Appearing: The Honourable H. A. Olson, Minister of Agriculture.

Witnesses: From the World Food Program: Mr. Francisco Aquino, Executive Director; Mr. Thomas C. M. Robinson, Director, Office of Director, Program Operations Division; *and from the Department of Agriculture:* Mr. S. B. Williams, Deputy Minister; Mr. Frank Shefrin, Director, Marketing and Trade Services, Economics Branch.

The Committee entered upon consideration of Item 1 of the 1969-70 Estimates relating to the Department of Agriculture.

The Minister introduced the witnesses from the World Food Program and the Departmental officials present, following which he gave a brief summary statement on the Program.

It was agreed that Mr. Roy (*Laval*) would meet with the Subcommittee on Agenda and Procedure regarding the Annual Meeting of the Canadian Horticultural Council.

Mr. Aquino gave a statement on the World Food Program, following which he, Mr. Robinson, Mr. Williams and the Minister answered questions.

[Traduction]

PROCÈS-VERBAUX

Le MARDI 4 mars 1969.
(25)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 44, sous la présidence de M. Beer, président.

Présents: MM. Beer, Clermont, Côté (*Richelieu*), Danforth, Douglas (*Assiniboia*), Foster, Gleave, Horner, Howard (*Okanagan Boundary*), Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), Lind, McKinley, Moore (*Wetaskiwin*), Muir (*Lisgar*), Peters, Pringle, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Whicher.—(21).

A comparu: L'honorable H. A. Olson, ministre de l'Agriculture.

Témoins: Du Programme alimentaire mondial: M. Francisco Aquino, administrateur, et M. Thomas C. M. Robinson, directeur, Bureau du directeur, Division des opérations du programme; *et du ministère de l'Agriculture:* M. S. B. Williams, sous-ministre, et M. Frank Shefrin, directeur, Division des services des marchés, Direction de l'économie.

Le Comité passe à l'examen du crédit 1 des prévisions budgétaires du ministère de l'Agriculture pour l'année 1969-1970.

Le Ministre présente les témoins du Programme alimentaire mondial et les représentants du Ministère, puis il fait un bref exposé relatif au Programme.

Il est convenu que M. Roy (*Laval*) assistera à une réunion du sous-comité du programme et de la procédure relative à la réunion annuelle du Conseil canadien de l'horticulture.

M. Aquino fait une déclaration relative au Programme alimentaire mondial, puis il répond, ainsi que M. Robinson, que M. Williams et que le Ministre, à des questions.

It was agreed that documents regarding Canadian Participation in World Food Program Projects, referred to by Mr. Williams, would be distributed to Committee members.

Messrs. Robinson, Aquino, and Shefrin answered further questions.

On behalf of the Committee, the Chairman thanked Messrs. Aquino and Robinson for their attendance.

Item 1 was allowed to stand.

At 11:54 a.m., the Committee adjourned to the call of the Chair.

Il est convenu que les documents concernant la participation du Canada aux programmes du Programme alimentaire mondial, dont a parlé M. Williams, seront distribués aux membres du Comité.

MM. Robinson, Aquino et Shefrin répondent à d'autres questions.

Au nom du Comité, le président remercie MM. Aquino et Robinson d'avoir bien voulu venir témoigner devant le Comité.

L'article 1 est réservé.

A 11 h. 54 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

[Texte]

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday, March 4, 1969.

The Chairman: We are assembled to consider the estimates of the Canada Department of Agriculture. I refer you to Vote 1.

Mr. Roy (Laval): Mr. Chairman, on a point of order. The matter I would like to bring up at this point is, I think, important for all the members of the Standing Committee on Agriculture.

Last week I attended the annual meeting of the Canadian Agriculture Council as a member of one association which is called "Les Jardiniers Maraîchers de Montréal". I have some information here about this annual meeting and I also have their brief containing last year's resolution for the Minister of Agriculture.

I think it would be a very good thing if all the members of the Agriculture Committee attended this kind of meeting, because there is considerable information about vegetables, egg rates, marketing problems, and the import and export situation. I do not know if it is the wish of the Committee, but perhaps next year we might attend this annual meeting to meet farmers and gardeners from all across the country and to exchange some opinions as members of this Standing Committee.

The Chairman: May I make a suggestion to the Committee that we invite you to come to a meeting of the steering committee and bring the brief in order that we might study the advisability of accepting such an invitation. Does this meet with the approval of the Committee?

Some hon. Members: Agreed.

Mr. Roy (Laval): Shall I give you the brief here?

The Chairman: No, we would like you to come to the steering committee and explain

[Interprétation]

TÉMOIGNAGES

[Enregistrement électronique]

Le mardi 4 mars 1969

Le président: Messieurs, nous sommes en nombre. Je vous souhaite la bienvenue après une semaine de détente. Evidemment, nous sommes ici pour étudier les prévisions budgétaires du ministère fédéral de l'Agriculture. Et au poste no 1...

M. Roy (Laval): J'en appelle au Règlement. Je ne sais pas si je devrais mentionner ce point à l'heure actuelle, mais j'ai l'impression que c'est très important pour tous les membres du Comité permanent de l'agriculture.

La semaine dernière, j'ai assisté à la réunion annuelle du Conseil agricole canadien à titre de membre d'une des associations qui s'appelle «les Jardiniers maraîchers de Montréal». Je ne sais pas si vous avez reçu une invitation aux fins que le président ou les membres de ce Comité s'y rendent, mais j'ai pu obtenir beaucoup de renseignements lors de cette réunion annuelle. J'ai ici leur mémoire comprenant les résolutions de l'an dernier. Je crois donc que ce serait une bonne chose si les membres du Comité permanent de l'agriculture assistaient à ce genre de réunions, car il y a beaucoup de données au sujet des jardins maraîchers: les prix des œufs, des légumes, les problèmes de mise en marché, la situation des exportations, des importations, etc... Je ne sais pas si le Comité le désire, mais l'an prochain, nous pourrions peut-être assister à cette réunion annuelle afin de convaincre plusieurs personnes, plusieurs jardiniers maraîchers à travers le pays que ce serait une bonne chose de faire un échange de renseignements avec les membres du Comité.

Le président: Est-ce que je puis suggérer au Comité directeur de vous inviter à assister à une de ses réunions, et d'y apporter le mémoire afin que nous puissions étudier la possibilité d'accepter une telle invitation. D'accord?

Des voix: D'accord.

M. Roy (Laval): Dois-je vous remettre ce rapport?

Le président: Non. Nous voudrions que vous assistiez à la réunion du comité direc-

[Text]

it, and then the steering committee will be in a position to make a recommendation to the general committee.

Gentlemen, we are particularly honoured this morning to have some very special guests as was agreed to at an earlier meeting. I am going to ask our Minister, Mr. Olson, to introduce our special guests this morning.

Hon. Horace Andrew Olson (Minister of Agriculture): Mr. Chairman, gentlemen, I take a great deal of pleasure this morning in introducing to the Committee the Executive Director of the World Food Program, Mr. Francisco Aquino, who is on my immediate right, and Mr. Thomas Robinson, Director of the Program Operations Division of The World Food Program, who is sitting next to Mr. Aquino. These gentlemen have kindly agreed to appear before the Committee so that you may have the opportunity to clarify any questions concerning multilateral food aid in general and the operations of the World Food Program in particular.

I may also take this opportunity, Mr. Chairman, to introduce the other officials who are here with us this morning. You know, of course, Mr. Williams, the Deputy Minister; Dr. Poirier, from the Department; Mr. Shefrin, Mr. Grier, and Mr. Costley. We will have this opportunity of discussing in the first instance the World Food Program after which, of course, I am prepared to make an opening statement on the estimates for the ensuing year.

As you know, the World Food Program is a joint UN-FAO agency established in 1962 to be responsible for distributing multilateral food aid. The food aid is contributed voluntarily and it is used both to promote economic development and to meet emergency food requirements in developing countries. There have been three WFP pledging conferences covering contributions up to the end of 1970. Total regular pledges since 1963, made by nearly 90 countries including many of the developing nations, amount to \$395 million U.S. in food, cash and services.

Canada's contribution over this period amounts to \$54 million in food and cash, with commodity donations accounting for slightly more than 75 per cent. Canada was one of the original proponents of the World Food Program and I think we can be justifiably proud that since 1963 Canada's contribution to WFP resources amounts to about 15 per cent of the total, and that figure is second only to that of the United States.

The multilateral program has enabled Canada to contribute food aid to more than 120 WFP projects in 52 countries. Food sup-

[Interpretation]

teur. Le sous-comité directeur pourrait alors formuler une recommandation au Comité.

Messieurs, nous avons l'honneur ce matin, d'avoir des invités très spéciaux, tel que nous l'avons convenu à une réunion précédente. Je vais demander à notre ministre, M. Olson, de nous présenter les invités. Monsieur Olson.

L'hon. M. Olson (ministre de l'Agriculture): Monsieur le président, messieurs, j'ai le grand plaisir ce matin, de présenter aux membres du Comité, le directeur général du programme alimentaire mondial, M. Francisco Aquino, à ma droite, et M. Thomas C. M. Robinson, directeur du bureau de la Division des opérations du programme, qui est à sa droite. Ces messieurs ont consenti à comparaître devant nous afin que nous puissions nous renseigner envers toutes les questions au sujet des programmes mondiaux, d'aide alimentaire et tout particulièrement, du Programme alimentaire mondial.

Je pourrais peut-être aussi vous présenter les autres fonctionnaires ici présents. Évidemment, vous reconnaissez le sous-ministre, M. Williams, le docteur Poirier, du ministère, M. Frank Shefrin, et messieurs Grier et Costley. Nous aurons l'occasion de discuter tout d'abord du Programme alimentaire mondial, et ensuite, je serais disposé à vous faire un exposé préliminaire au sujet des prévisions budgétaires pour l'année à venir. Comme vous le savez, le Programme alimentaire mondial est un programme conjoint entre les Nations Unies et la FAO établi en 1962 pour la distribution multilatérale d'aide alimentaire gratuite utilisée pour enrayer la famine et pour aider à alimenter les pays en voie de développement. Il y a eu trois conférences plénières au sujet des contributions jusqu'à la fin de 1970. Jusqu'en 1963, les contributions de près de 90 pays, y compris plusieurs pays en voie de développement, se sont chiffrées à 395 millions de dollars américains en aliments, en dons et en services.

Et la contribution du Canada au cours de cette période s'est chiffrée à 54 millions de dollars en aliments et en argent, les dons en nature entrant pour plus de 75 pour 100 de ce montant. Le Canada a été l'un des pays membres fondateurs de ce programme alimentaire mondial. Depuis 1963, nous pouvons être fiers du support donné par le Canada qui a été d'environ 15 p. 100 du total de l'aide. Ce chiffre prend la deuxième place, derrière celui des États-Unis.

Ce programme a permis au Canada de contribuer à plus de 120 projets du programme alimentaire mondial dans 52 pays. Les pro-

[Texte]

plied by Canada includes such things as skim milk, whole milk powder, butter, butter oil, cheese, evaporated milk, oats, wheat, wheat floor, egg powder, peas, beans and canned and dried fish. Wheat and wheat flour make up about 66 per cent of this basket and dairy products about 27 per cent of the total.

Mr. Chairman, with those very brief introductory remarks, perhaps you would like to call on Mr. Aquino, the Executive Director, for some comments.

The Chairman: I am sure the Committee would be pleased to have an opening statement by Mr. Aquino, after which he will make himself available for questions from members of the Committee.

Mr. Francisco Aquino (Executive Director, World Food Program): Mr. Chairman, I feel very honoured to be here today and I am grateful to you and to the hon. members of your Committee for this opportunity of discussing briefly the World Food Program with a group that shares heavily in the responsibility for the agricultural policy of this great nation. I am also very grateful, of course, for this lovely spring weather that you have also arranged for us during our stay.

If I am not mistaken, sir, this is the first time that the Executive Director of the World Food Program has appeared before a Canadian Parliamentary Committee and, having been a Minister of Agriculture myself, I can fully understand the importance and the significance of this occasion.

The UN World Food Program was experimental until 1965. Since then it has been given life by its parent bodies for as long as member countries consider multi-lateral food aid useful and feasible.

As you are aware, our organization uses food surpluses for economic and social development projects in the less developed countries and for relieving human suffering during natural or man-made catastrophes. The emphasis is on always leaving an improvement of a permanent character after the food has been consumed—a road, a dam, an irrigation canal, a new agricultural settlement, a forest, a milk production centre, a water-trough for a village, improved sanitary and living conditions in the poorest sections of the large cities, a school building or a group of better fed healthier, happier and better educated children. When providing assistance for emergencies of a recurring nature, such as

[Interprétation]

duits fournis par le Canada comportent du lait en poudre, du lait écrémé, du beurre, de l'huile, du blé, de l'avoine, de la farine de blé, de la poudre d'œuf, des pois, des haricots ainsi que du poisson salé ou en boîte. Le blé et la farine comptent pour environ 66 p. 100 de notre contribution, et les produits laitiers, pour 27 p. 100. Monsieur le président, après ces observations préliminaires très brèves, peut-être aimeriez-vous demander à M. Aquino, administrateur du programme, de faire une déclaration.

Le président: Je suis sûr que les membres du comité seraient très heureux que M. Aquino fasse une déclaration préliminaire. Il répondra ensuite aux questions.

M. Francisco Aquino (administrateur du programme alimentaire mondial): Monsieur le président, j'apprécie beaucoup d'avoir l'honneur d'être parmi vous ce matin. Je vous suis reconnaissant, ainsi qu'aux membres de votre comité, de cette occasion que vous me donnez de m'entretenir brièvement du Programme alimentaire mondial avec un groupe comme le vôtre, qui est largement responsable de la politique agricole de ce grand pays. Je vous suis aussi très reconnaissant, bien sûr, d'avoir commandé, pour notre séjour, ce merveilleux temps printanier.

Si je ne m'abuse, monsieur, c'est la première fois que l'administrateur du Programme alimentaire mondial comparait devant un comité parlementaire du Canada, et, ayant moi-même été ministre de l'Agriculture dans mon pays, je comprends pleinement l'importance de cette occasion.

Le programme alimentaire mondial des Nations-Unies en était encore, jusqu'en 1965, au stade expérimental. Mais depuis, les organismes mères de cette agence lui ont donné vie pour aussi longtemps que les États membres considéreront l'aide alimentaire multilatérale comme utile et possible.

Comme vous le savez, notre organisme emploie les excédents de données alimentaires pour appuyer des programmes d'expansion économique et sociale dans les pays en voie de développement, et pour soulager la misère humaine lors des catastrophes naturelles ou dues à l'homme. Nous insistons beaucoup sur des améliorations de caractère permanent, une fois que les aliments ont été consommés: une route, un barrage, un canal d'irrigation, une nouvelle exploitation agricole, une forêt, un centre de production laitière, un abreuvoir pour un village, de meilleures conditions sanitaires dans les sections pauvres des grandes villes, une école, ou peut-être un groupe d'enfants mieux nourris, en meilleure santé,

[Text]

drought or flood, WFP tries to do it through work programs that will help prevent or diminish in future the damaging effects of such natural calamities.

Most of our direct feeding projects, particularly those for mothers and preschool children, bear a very important element of nutritional education. With few exceptions, food is provided as part of wages as an incentive to participate in an activity or in an effort by the community. Thus practically all our food is distributed in the form of individual or family rations to be consumed directly by the recipients.

Total resources at the disposal of WFP since the inception of the program are \$447 million. These resources have been provided in the form of voluntary contributions by member governments. As an average, roughly two-thirds of them represent actual food commodities and the remaining one-third has been given to us in the form of services and cash to move the food and to administer the program. Being a multilateral effort by many nations, the WFP food basket contains a rather wide range of products. We have been fortunate enough up to now so that, broadly speaking, an adequate balance has been kept in our supplies of grain, protein foods and fat.

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Naturally most of our resources come from the highly developed countries. However, the developing nations also participate as donors. They have provided certain commodities such as tea, coffee, sugar and a little bit of rice which products it would be impossible for us to get from the developed countries. The total amount of their contribution is approximately \$5 million per year.

Some European countries which are parties to the Food Aid Convention have decided to use the World Food Program as an agent to discharge their obligations under the Convention, totally or in part. We are very honoured by this trust and hope that in the future other countries will decide to follow the same line. You will have noticed that my figures on resources do not tally with those given by the

[Interpretation]

plus heureux et plus instruits. Lorsqu'il accorde de l'aide dans des situations d'urgence qui se reproduisent souvent, telles que la sécheresse ou les inondations, le programme alimentaire mondial essaie de le faire au moyen de programmes de travaux qui aideront à éliminer ou à réduire, à l'avenir, les effets nuisibles de ces catastrophes naturelles.

La plupart de nos programmes directs d'alimentation, en particulier ceux qui sont destinés aux mères et aux enfants d'âge préscolaire renferment un élément important d'éducation en matière alimentaire. A quelques rares exceptions près, nous donnons la nourriture comme partie du salaire pour encourager les gens à participer à quelque activité ou à un effort collectif. Ainsi, à peu de choses près, la totalité de nos aliments est distribuée sous forme de rations individuelles ou familiales et consommée directement par les bénéficiaires.

Depuis le début du programme, les ressources mises à la disposition du programme alimentaire mondial ont totalisé 447 millions de dollars. Elles nous sont venues sous forme de contributions bénévoles de la part des États membres. En moyenne, environ les deux tiers de ces ressources ont consisté en denrées alimentaires, et l'autre tiers nous a été donné sous forme de services ou en espèces, pour transporter les denrées et pour administrer le programme. Étant donné qu'il s'agit d'un effort multilatéral de la part de plusieurs pays, le panier d'alimentation du programme alimentaire mondial contient une vaste gamme de denrées. Jusqu'à présent, nous avons eu beaucoup de chance, car nous avons pu, dans l'ensemble, maintenir l'équilibre entre nos approvisionnements en protéines, en céréales et en graisses.

Évidemment, la plupart de nos ressources nous viennent des pays très développés, mais les pays en voie d'expansion y contribuent aussi en nous fournissant certaines denrées comme du thé, du café, du sucre et un peu de riz, produits qu'il nous serait impossible d'obtenir des pays développés. Le total de l'apport des pays en voie de développement atteint environ 5 millions de dollars par an.

Certains pays européens signataires de la Convention d'aide alimentaire ont décidé de s'acquitter de leurs obligations en vertu de la Convention par l'intermédiaire du programme alimentaire mondial, en tout ou en partie. Nous sommes très honorés de cette confiance, et nous espérons qu'à l'avenir, d'autres pays décideront d'en faire autant. Vous aurez remarqué que les chiffres que j'ai donnés sur les ressources ne correspondent pas à ceux

[Texte]

Minister of Agriculture, but the fact is that I have added these contributions of the Food Aid Convention to the figures that the Minister provided for you.

The World Food Program has committed commodities, services and cash for a total of \$465 million in 330 projects for social and economic development in 75 countries. Also the World Food Program has conducted 77 emergency operations to alleviate human suffering in 50 countries for a total value of \$61 million. The figures that I have given you cover the period from the beginning of the Program until February 28 of the current year. You will have noticed that commitments for development projects, plus emergencies add up to a larger sum than resources actually available. The explanation is that all commitments extending beyond December 31, 1970 have been made subject to the availability of resources.

Total disbursements, which represent the actual delivery of the commodities, are now up to \$185 million. After a slow start in the earlier years of the program, disbursements are picking up and, according to our projections, the end-of-year carryover resources will for the first time in our short history be smaller than the previous year carrying at the end of 1970.

Canada has always been a firm supporter of the World Food Program. At present your country is our second largest contributor, providing 10 per cent of our regular resources. I sincerely hope that your interest will continue and will increase with the growth of the Program. In the first years of WFP Canada provided us with about \$1.8 million worth of commodities and cash per year. This contribution increased to \$9.3 million per year from 1966 to 1968 and it is now \$10 million for each of the years 1969 and 1970. The Canadian contributions for the first and second pledging periods of WFP that cover until the end of December 1968 have been completely disbursed. For the present pledging period we have called forward the first cash installment and we are earmarking commodities in order to be prepared for the time when they will become available after the beginning of the Canadian fiscal year.

Canada has provided, as the Minister explained, a rather wide range of commodi-

[Interprétation]

qu'à donné le ministre de l'Agriculture. Le fait est que j'ai ajouté les contributions faites en vertu de la Convention d'aide alimentaire aux chiffres donnés par le Ministre.

Le programme alimentaire mondial a engagé des denrées, des services et de l'argent, totalisant 465 millions de dollars, dans 330 programmes d'expansion économique et sociale dans 75 pays. Le programme a aussi dirigé 77 programmes d'urgence pour alléger la souffrance humaine dans 50 pays différents, pour un total de 61 millions de dollars. Les chiffres que je vous ai donnés correspondent à la période allant du début du Programme jusqu'au 28 février de l'année en cours. Vous aurez remarqué que les engagements pour les programmes d'expansion et pour les situations d'urgence atteignent au total un chiffre plus élevé que les ressources dont nous disposons à l'heure actuelle. La raison en est que tous les engagements se prolongeant au delà du 1^{er} décembre 1970 ont été pris sous réserve de la disponibilité des ressources.

Les dépenses totales à ce jour, qui correspondent à la livraison, même des denrées, se chiffrent maintenant à 185 millions de dollars. Après un début lent lors des premières années du programme, les dépenses augmentent sans cesse, et, d'après nos projections, le report des ressources d'une année à l'autre sera, à la fin de 1970, pour la première fois dans notre courte histoire, moins élevé que l'année précédente.

Le Canada a toujours appuyé de façon importante le Programme alimentaire mondial. À l'heure actuelle, votre pays, en fournissant 10 p. 100 de nos ressources régulières, se classe au deuxième rang de nos participants. J'espère sincèrement que vous continuerez à manifester le même intérêt et que vous pourrez augmenter votre apport au fur et à mesure de l'expansion du Programme. Au cours des premières années du Programme, le Canada nous donnait environ 1.8 million de dollars par an en denrées et en espèces. Cette contribution est passée à 9.3 millions par an de 1966 à 1968, et elle se chiffre maintenant à 10 millions de dollars pour chacune des années 1969 à 1970. La contribution canadienne pour la première et pour la deuxième période d'engagement du programme alimentaire mondial, qui portent jusqu'à la fin de décembre 1968, a été entièrement dépensée. Pour la période d'engagement en cours, nous avons déjà demandé le premier versement en espèces, et nous sommes en train d'affecter les denrées afin d'être prêts lorsqu'elles seront mises à notre disposition, après le début de l'année financière au Canada.

Comme l'a dit le Ministre, le Canada a fourni toute une gamme de denrées—blé,

[Text]

ties that include wheat, flour, oats, baled products of many kinds, fish and egg powder. We have used them both for emergencies and for economic and social development projects in 52 countries from Latin America to the Far East.

Our largest utilization of Canadian wheat has been in an afforestation project in Algeria. We have also used large quantities of flour and dairy products in school-feeding programs. If the members of the Committee are interested, Mr. Thomas Robinson, Head of the Operations Division of WFP, could later on give further details about the destination and the use made of the Canadian commodities.

I would only like to add here that in going through the World Food Program donors do not lose their identity. Apart from the fact that we keep detailed accounts and that the commodities bear clear markings of their origin, we make it a point to request recipient governments to publicize the origin of the contributions included in each shipment.

In our opinion the task of the World Food Program is going to stay with us for years to come. In spite of the great strides that have been made in the effort to increase the production of food grains in the famine-prone regions of the world, the problem of hunger has not been solved yet by a long shot. Besides food aid, as part of total economic and social development aid, has a special and important role to play in the years ahead.

It is especially adapted for use in slow-maturing projects of a labour-intensive character for which developing countries do not like to go into heavy debt in foreign currency, but which are absolutely essential as infrastructure for economic development. These projects have also a salutary effect on the employment problem of the developing countries, induce a great measure of self-help and force the recipient governments to organize themselves for the effective utilisation of WFP resources. I thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Aquino. I am sure you will have observed that your remarks have been of special interest to the members of the Committee. They now welcome the opportunity to direct some questions to you and I will recognize Mr. Danforth.

Mr. Horner: Before Mr. Danforth puts his question, Mr. Chairman, could we not hear from Mr. Robinson a little more detail of who the recipients are, not only of the Canadian produce but of the World Food Program? Who

[Interpretation]

farine, avoine, toutes sortes de marchandises en balles, poisson, et œufs en poudre. Elles ont servi dans les situations d'urgence et dans les programmes d'expansion économique et sociale dans 52 pays, de l'Amérique latine jusqu'en extrême Orient.

Le blé canadien a surtout servi dans un programme de reboisement en Algérie. Nous avons aussi employé de grandes quantités de farine et de produits laitiers pour les programmes d'alimentation dans les écoles. Si les membres du comité sont intéressés, M. Thomas Robinson, qui est chef de la Division des opérations du programme, pourra, un peu plus tard, vous donner plus de détails concernant la destination et l'utilisation des produits de base envoyés par le Canada.

J'aimerais ajouter ici qu'en examinant le Programme alimentaire mondial, les donneurs ne perdent pas leur identité. Nous gardons des comptes et l'origine des produits est bien indiquée, et de plus, nous demandons aux pays récipiendaires de faire de la publicité quant à l'origine des contributions qui composent chaque expédition.

A mon avis, la tâche du Programme alimentaire mondial s'échelonnera sur bien des années. Malgré les progrès énormes qui ont été accomplis dans la production des céréales dans les régions du monde où règne la famine, le problème de la faim n'a pas encore été résout, loin de là. En plus, l'aide alimentaire, dans le cadre de l'aide au développement économique et social, a un rôle important à jouer dans les années à venir.

Elle s'adapte particulièrement aux programmes à forte utilisation de main-d'œuvre qui viennent à maturité très lentement et auxquels les pays en voie de développement ne veulent pas consacrer leurs devises étrangères, et qui, néanmoins, sont absolument essentiels à l'infrastructure du développement économique. Ces projets ont aussi un effet salutaire sur le problème de l'emploi dans les pays en voie de développement, encouragent les gens à faire un effort, et forcent les gouvernements à s'organiser pour l'utilisation efficace des ressources qui sont mises à leur disposition. Merci.

Le président: Merci, monsieur Aquino. Je suis sûr que vous avez constaté que vos remarques ont particulièrement intéressé les membres du Comité. Ils vont probablement vous poser des questions. Je donne la parole d'abord à M. Danforth.

M. Horner: Avant de poser des questions, est-ce que M. Robinson pourrait nous donner un peu plus de détails concernant les récipiendaires, pas seulement des produits canadiens, mais du programme en général. Quels

[Texte]

are the greatest users and what areas of the world are receiving most of the food?

Mr. Muir (Lisgar): Mr. Chairman, if I may add a supplementary to that, I wonder whether Mr. Robinson would tell us something about the difficulties of distribution and how this is handled in the various countries?

Mr. Thomas C. M. Robinson (Director, Office of Director, Program Operations Division, World Food Program): First, where does the food, not just from Canada but from all donors, go? About 45 per cent of it has gone to the near East, an area stretching from Morocco on the west to Turkey and Iraq on the east.

The reasons for this are first of all, this is a food and cereal deficit area on the whole. It is an area of a good deal of unemployment and it is an area where governments were very quick to see the advantages to them of using food aid. It is also an area where most governments are fairly well organized; that is, they have administration to administer food aid and finally, during the last year and a half, there has been an extra fillip so far as the World Food Program is concerned in that a number of those governments cut off diplomatic relations with the United States after the May, 1967 war with Israel.

As a result, a few projects which had been financed by U.S. title to and operated by voluntary agencies were taken over by the World Food Program, and in addition new projects which might have been bilateral projects had diplomatic relations existed were presented to us instead.

The second largest area of concentration is in the Far East, primarily India, Ceylon, the Republic of China and Korea. More recently we have had projects started in Pakistan—rather large projects. We have two big projects just starting in Malaysia. We have had a number of emergency operations in Indonesia, but no projects as yet.

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In Africa we are operating in a large number of countries but the total volume of food moving is rather small, because with the exception of Nigeria the African countries are small. They also have on the whole very weak administrations and they also have extreme difficulty in raising the necessary money to pay for freight, storage and so forth. Therefore, although we have a lot of projects in Africa south of the Sahara most of them are very small.

[Interprétation]

sont les plus grands utilisateurs, dans quelles régions du monde envoie-t-on la majorité de ces produits alimentaires?

M. Muir (Lisgar): Est-ce que M. Robinson pourrait également nous dire quelque chose sur les difficultés de distribution et comment cela se fait dans les différents pays?

M. Thomas C. M. Robinson (directeur, Bureau du directeur, Division des opérations du programme): Premièrement, où vont les produits alimentaires? Environ 45 p. 100 vont au Moyen-Orient, du Maroc à l'ouest jusqu'à la Turquie et l'Irak, à l'est.

La raison en est principalement que c'est une région où il y a pénurie d'aliments et de céréales. Il y a beaucoup de chômage dans cette région et les gouvernements ont rapidement constaté qu'il serait avantageux pour eux d'accepter cette aide alimentaire. Les gouvernements sont assez bien organisés dans cette région et ils disposent de la structure pour assurer la distribution. Et finalement, depuis un an et demi, il y a en un item spécial vers le Programme alimentaire mondial car bon nombre de ces gouvernements ont rompu les relations diplomatiques avec les États-Unis après la guerre avec Israël.

Par conséquent, un certain nombre de projets qui avaient été financés par les États-Unis et gérés par des organisations bénévoles ont été pris en main par le Programme d'alimentation mondial, et de plus, de nouveaux projets, qui auraient pu être des projets bilatéraux dans une situation diplomatique normale, nous ont été présentés à la place.

Une deuxième concentration existe en Extrême-Orient, c'est-à-dire, l'Inde, le Ceylan, la République de Chine et la Corée. Plus récemment, nous avons entrepris des projets considérables au Pakistan, deux projets en Malaisie, nous avons eu des opérations de secours en Indonésie, mais pas de projet encore.

En Afrique, nous travaillons dans un très grand nombre de pays, mais le volume total de produits alimentaires distribué est assez faible, car, à l'exception du Nigéria, les pays africains sont assez petits. Et ils ont aussi une administration très faible et de grandes difficultés à obtenir les fonds nécessaires pour payer l'entreposage. Bien que nous ayons de nombreux projets dans les pays africains au sud du Sahara, la quantité d'aide est peu importante.

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So far as Nigeria is concerned, we have made available through the International Committee of the Red Cross a little over \$3.5 million worth of food, starting only in November of last year when the Government of Nigeria finally asked for food. This has consisted of 1,500 tons of stock fish from Norway and 1,250 tons of corn meal from the United States. The stock fish has arrived; the corn meal has been held up by the waterside workers strike in the U.S.

Finally, in Latin America we have what would appear to be a proportionately smaller number of projects than the area could use. There have been several reasons for this. In the first place in a good many Latin American countries—and I think Mr. Aquino can vouch for this much better than I—there has been a reluctance to admit that there was any food problem. As a result there has been a tendency for us to get special feeding projects—human investment projects, school feeding and so forth, maternal and child care feeding projects—rather than economic development projects in this particular area.

Now, the second question is, what are the problems? The first problem is one of administration and finance in the recipient country. It is not enough for them to need food. They have to be able to handle the food. They have to have a civil service which can organize a project. They have to have enough budgetary resources to pay for local transportation and storage.

They have to have enough trained people to keep accounts, because all of our food goes out under project agreements. We enter into a contract with the government and the government is the executive agent as far as the project is concerned. They have to report to us every three months on stocks, distribution, receipts and so forth and we find that in some countries it is very hard to scrape together enough people who can even keep simple stock records. So absorptive capacity in the administrative sense is probably our greatest single difficulty.

In addition, of course, most of our foods are in some degree perishable and in most countries there has been a great number of problems about how to store foods. There is a tendency to put foods in warehouses that are not physically secure resulting in pilferage, that are not rodent-proof, that are not screened resulting in insect damage; to put them against walls which results in absorption of moisture; to put them on the floor instead of having them up on dunnage.

We have had a constant struggle in every country where we start a project in getting

[Interpretation]

Au Nigéria, par l'intermédiaire de la Croix Rouge internationale, nous avons envoyé pour \$3 millions et demi de produits alimentaires depuis novembre dernier lorsque le gouvernement du Nigéria, nous a demandé de l'aide. Il s'agit de 1,500 tonnes de poisson séché de la Norvège, 200 tonnes de farine de maïs des États-Unis. Le poisson a été livré, tandis que la farine tarde à cause des grèves des ports aux États-Unis.

Ensuite, nous avons l'Amérique latine, où vous aurez peut-être l'impression que le nombre de projets est peu élevé par rapport aux besoins de la région. La raison en est, et je crois que M. Aquino pourrait expliquer beaucoup mieux, que ces pays ne veulent pas admettre qu'il y a une pénurie alimentaire. Donc, nous avons dû entreprendre surtout des programmes alimentaires spéciaux, comme des programmes d'alimentation scolaire, des projets d'alimentation de mères avec leurs bébés, et ainsi de suite, plutôt que des projets de développement économique dans cette région.

Le premier problème qui se pose est un problème d'administration et de financement dans le pays récipiendaire. Il ne suffit pas que ces pays aient besoin de produits alimentaires, il leur faut une administration publique qui puisse organiser le projet. Il leur faut suffisamment de ressources budgétaires pour defrayer le transport local et l'entreposage.

Il leur faut suffisamment de personnel qualifié pour tenir des comptes parce que tous nos produits sont fournis dans le cadre d'accords. Nous avons un accord avec le gouvernement qui est notre agent pour ce projet. Il doit faire rapport environ tous les trois mois sur les stocks, la distribution, les réceptions, et ainsi de suite. Nous avons constaté dans certains pays qu'il est extrêmement difficile d'obtenir un nombre suffisant de personnes qualifiées pour tenir compte des stocks. L'administration présente donc la difficulté la plus importante que nous rencontrons.

En plus de cela, la plupart de nos produits sont des denrées périssables, et dans beaucoup de pays, il y a des problèmes d'entreposage. Souvent on les met dans des entrepôts où ils risquent d'être volés, qui ne sont pas protégés contre les insectes qui y font des dégâts, on les place contre des murs où ils absorbent de l'humidité, on les met par terre au lieu de les mettre au grenier.

Nous avons eu beaucoup de difficultés à faire adapter des méthodes d'entreposage adé-

[Texte]

proper storage practices. We have made a terrific amount of progress, however. In order to help governments perform their responsibilities, we assign to the office of the UNDP resident representative who is the representative of the World Food Program, what we call project officers. They are his staff aides for World Food Program affairs, and although they have no executive powers—they cannot tell anybody to do anything—they can advise them that they should do thus and so.

Most of these men have had food handling backgrounds in the past and the largest single source has been the voluntary agencies such as CARE, World Council of Churches, Catholic Relief Service, and so forth, and ex-colonial services, particularly the British and the Belgian. In order to make sure that they have the background to give proper advice we have been utilizing the Tropical Stored Products Centre of the Ministry of Overseas Development in the United Kingdom to run a six weeks training course on food storage and handling problems. We run four courses a year. We run eight project officers through every course, so in most countries where we are operating we have an adviser who can help the government discharge its responsibilities but he cannot do the job himself; he has to have local counterparts who are responsible.

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There are other problems, of course, in synchronizing receipts of commodities from a number of different countries because a project with, we will say, eight food items may be drawing supplies from as many as five different countries. We try to ship only three months supply at a time so that storage periods will not be too long. Something like the longshoremens' strike in the United States is a major catastrophe as far as we are concerned because, although other commodities drawn from Canada or northwestern Europe come through on schedule, the corn or the sorghum coming from the United States has been held up now in many cases for as long as six months. We have our problems as well as there being problems in the recipient countries.

Mr. Horner: I have just one supplementary question then, Mr. Robinson. How does a country go about applying to your World Food Program for some food?

Mr. Robinson: We have sent out to all of our resident representatives a pro forma, sample applications. The government comes to the resident representative and says, "We want to build 50 miles of roads connecting

[Interprétation]

quats. Nous avons fait beaucoup de progrès dans ce domaine, cependant. Pour aider les gouvernements à assumer leurs responsabilités, nous avons envoyé des fonctionnaires auprès du représentant résident du PNUD, pour s'occuper des affaires du programme. Ils n'ont pas de pouvoirs exécutifs, mais ils peuvent conseiller les gens sur la façon de procéder.

La plupart de ces gens ont de l'expérience dans le domaine de la distribution alimentaire et ils proviennent surtout d'organisations bénévoles comme CARE et le Conseil mondial des Églises, et des anciens services coloniaux britanniques et Belges. Afin de nous assurer que ces gens ont l'expérience nécessaire, nous avons un centre au Royaume-Uni où nous donnons un cours de formation de six semaines sur l'entreposage et la distribution des produits alimentaires, quatre fois par année, avec huit participants chaque fois. Donc, dans la plupart des pays où nous fonctionnons, nous avons un conseiller qui peut aider le gouvernement à assumer ses responsabilités. Il ne peut pas faire le travail lui-même, il faut qu'il ait un homologue dans le pays en question.

Il y a d'autres problèmes, comme la synchronisation des arrivages en provenance de différents pays, par exemple, un projet composé de huit produits peut recevoir des approvisionnements de cinq pays différents. Nous essayons d'expédier des provisions pour trois mois à la fois afin d'éviter des périodes d'entreposage trop longues. Et une chose, comme la grève des débardeurs aux États-Unis, pose de graves problèmes parce que les produits alimentaires de l'Europe ou du Canada arrivent à temps, tandis que le maïs ou le sorgho qui devaient venir des États-Unis sont retardés, dans certains cas, jusqu'à six mois. Donc, nous avons nos problèmes en plus des problèmes des pays récipiendaires.

M. Horner: Une question supplémentaire. Comment est-ce qu'un pays demande de l'aide à votre organisation?

M. Robinson: Nous avons envoyé à chaque représentant local une formule type de demande. Le gouvernement s'adresse à chaque représentant local et dit: «Nous voulons construire 50 milles de routes reliant les vil-

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villages with main highways, and so forth. We think, since we are going to build the roads by hand, that this is the place we could use food". The resident representative, or our project officer, sits down with the appropriate government authorities and helps them write up a project proposal, and it comes into WFP Headquarters.

If it is a road building project we refer it for technical advice to the United Nations agency responsible for road building. If it is an agricultural settlement scheme to settle people in, let us say, Tanzania on previously virgin land, we will refer the request to FAO. If it is a school feeding project we refer it to UNESCO. We have no technical expertise in the World Food Program.

After these agencies have given it approval we get down to brass tacks to see if we can get the food required, and enter into an agreement with the government.

Mr. Horner: I ask that question, Mr. Chairman, to clarify the point I am trying to make. For example, the breakaway state of Biafra could not apply to the World Food Program because it is not a recognized state or country, as such?

Mr. Robinson: Yes; our regulations say that governments which are members of the United Nations or members, or associate members of FAO can participate.

Mr. Aquino: Mr. Chairman, I just want to add one comment. In our assistance to Nigeria we made sure that our supplies would go to both of the contending factions.

The Chairman: Mr. Muir has a question.

Mr. Muir (Lisgar): Mr. Robinson, do you give advice to donor countries on proper packaging and processing?

Mr. Robinson: Yes, we do; not only on packaging a simple thing such as wheat flour, for which there is a large variety of packaging, but also on packaging such things as dried skim milk and canned cheese, and so forth. There have been a number of changes in packs as a result of our intervention.

We have discovered, for instance, that it is foolish to supply cheese to most of the countries where we are operating unless it is tinned. This drives up the cost, but the higher cost pays in the long run, because we were having intolerable losses on cheese which was merely wrapped in pliofilm.

Again, we depend upon the tropical stored products centre which has packaging experts who advise on what packs should be, and

[Interpretation]

lages aux grandes routes. Et comme nous allons les construire à la main, peut-être que ce serait l'endroit où on pourrait avoir des produits alimentaires». Alors, l'agent du programme aide ces personnes à faire ces demandes.

On envoie des demandes d'aide technique aux Nations unies qui est l'organisme responsable pour la construction des routes. S'il s'agissait, par exemple, d'un autre programme dans le domaine agricole, on aurait demandé à la FAO et si c'est un programme en ce qui concerne l'éducation, on s'adresserait à l'UNESCO, etc.

Ensuite, on essaie de voir si on peut obtenir les produits alimentaires requis.

M. Horner: J'ai posé cette question, monsieur le président, pour essayer de comprendre la situation. Par exemple, l'État du Biafra ne peut pas faire une demande à ce programme, parce que ce n'est pas un État reconnu comme tel.

M. Robinson: Il faut que ce soit des gouvernements membres des Nations unies ou des membres associés de la FAO.

M. Aquino: Monsieur le président, j'aimerais faire une remarque. Dans notre aide au Nigéria, nous nous sommes assurés que l'aide que nous avons envoyée, aille aux deux parties.

Le président: M. Muir a une question.

M. Muir (Lisgar): Monsieur Robinson, est-ce que vous aidez les pays à faire l'emballage et le traitement des produits nécessaires?

M. Robinson: Oui, non seulement pour des choses aussi simples que la farine de blé, mais pour le lait en poudre, le fromage en boîte. Il y a eu pas mal de changements dans ce domaine, quant à notre intervention.

Ça ne sert à rien d'envoyer du fromage aux pays où nous fonctionnons, à moins qu'il ne soit mis en boîte. Ceci élève les coûts, mais cela est rentable à la fin, parce qu'autrement il y a des pertes absolument incroyables, si le fromage était simplement enveloppé dans le pliofilm. Nous dépendons de ce centre de productions tropicales qui peut aider les organismes à faire les emballages requis.

[Texte]

they go back to the manufacturers on request and help them redesign their packs.

The Chairman: Gentlemen, I have a list of members who wish to ask questions. To press supplementaries is to impose on the good nature of those who have indicated that they wish to ask questions. I would ask the indulgence of the Committee, and I will recognize Mr. Danforth.

Mr. Gleave: I have a question for clarification purposes. One of the gentlemen said they were assured that supplies to Nigeria flowed to both countries. How do they know this?

Mr. Aquino: We ensured this by having the agreement of the Government of Nigeria that this would be so and by channelling our resources through the ICRC, which was already working on both sides of the conflict.

Mr. Danforth: Mr. Chairman, as was explained, this program is gaining in magnitude and it is easily understandable how we could, through the years, gain greater momentum and thus a greater influence in the basic economies of the countries involved.

As it is, to this degree, quite a major influence, or could be, may I ask how it is determined what will be the various areas to be implicated? I fully understand when you talk of an area such as the Middle East, where there is high unemployment, but there must be an over-all governing factor to determine the influence on the world economy and normal trade patterns.

May I ask, first, how a determination is made on the over-all implementation of the project?

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My second question was going to be on how we determine aid for the various countries. This has already been answered, so I will go on to the next part of my question.

How is it determined what project will be incorporated into a specific country? Owing to inexperience, or lack of research, the project submitted by a developing country may, if implemented, throw the country further into imbalance rather than be of direct aid. I doubt that aid would be refused because of this, but might it be recommended in a different way? May we have some explanation of the basic mechanics involved?

Mr. Aquino: Thank you, Mr. Chairman.

Your first question was on what criteria we have followed in distributing our resources over a wide area represented by the developing nation. Up to the present time, the

[Interprétation]

Le président: Messieurs, j'ai une liste de députés qui voudraient prendre la parole. Je crois qu'il va falloir demander que l'on procède aux questions sans trop de délai. La parole est à M. Danforth.

M. Gleave: J'ai une question. Quelqu'un a dit que vous étiez sûrs que les approvisionnements au Nigéria, sont dirigés sur les deux parties du pays? Comment le savez-vous?

M. Aquino: Nous sommes sûrs de cela, parce que nous avons l'accord du gouvernement du Nigéria, que tel serait le cas, et en envoyant aussi nos ressources par l'intermédiaire de la Croix Rouge, du Comité international de la Croix Rouge.

M. Danforth: Monsieur le président, tel qu'expliqué, ce programme devient de plus en plus important, lorsqu'on prend au fur et à mesure des années, ce programme prend un élan plus important et exerce une influence plus grande dans l'économie de base des pays impliqués.

Étant donné que ce programme a une influence majeure, on pourrait en avoir une, comment est-ce qu'on décide quant aux différentes régions impliquées? Bien sûr, je comprends lorsque vous parlez d'une région comme le Moyen-Orient, où il y a un taux élevé de chômage, mais, il doit y avoir un facteur général qui permet de décider de l'influence sur l'économie mondiale et les structures des échanges. Et j'aimerais savoir comment on décide la mise en vigueur du programme d'une façon globale?

Ma deuxième question porte sur la façon dont on déterminait l'aide aux différents pays. Ma deuxième question a déjà trouvé sa réponse. Maintenant, comment est-ce qu'on décide qu'un projet sera incorporé dans un pays particulier? Est-ce que, pour cause de manque d'expérience ou de recherches, les projets soumis par un pays en voie de développement peuvent déséquilibrer plus le pays plutôt que l'aider. Peut-être que dans ce cas-là, on ne refuserait pas de donner de l'aide, mais on voudrait le faire sur une autre base. Peut-être que vous pourriez nous dire quelque chose sur ces procédés?

M. Aquino: Merci, monsieur le président. Sur la première question: quels critères nous avons suivis pour la distribution de nos ressources dans la vaste région représentée par les pays en voie de développement? Jusqu'à

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resources of the program and the demand for them have been more or less in balance. Under these conditions the main guiding factor for us has been those countries where good projects could be discovered and assisted.

If, in future, as now appears will be the case, we should get demands that are beyond the resources of the program we will have to introduce other criteria. Probably we would want to implement only those projects that have a maximum effect in the economic development of a country, and would have to reject a number of other projects.

On the other question, which is very much linked with this one, of how we determine priorities within a country, I must say that we have been using, in every case, the services of the United Nations in New York to study, in the face of any request made to WFP, the development program of the country in question to see whether the priority for the project presented to us has already been considered within the development plan and what kind of priority it has. Only those projects that really have a priority within the already established plan would receive assistance from WFP. This would prevent imbalances such as you suggest could appear once in a while.

Mr. Danforth: I have one supplementary, Mr. Chairman, and then I will pass to allow others to ask questions. This is a matter which is, I think, of direct concern to many economists in programs such as this, and no doubt it has been studied to great depth, but because agriculture is, in most instances, the primary industry by which the economy is started and generated in developing countries, what position are we going to be in when countries such as Canada and the United States are developing a superabundance of particular projects, yet, in the main, in the developing countries, these are the very products that are being encouraged and there is a tremendous development, to the degree that in some instances importing countries become exporting countries? Is there going to be any emphasis, as was brought out, on transportation and distribution rather than on primary development?

Basically, I am asking what efforts are being considered to move from abundance to lack of abundance rather than to develop an increase of ever greater abundance with, in some instances, the waste and destruction of foods that are so badly needed?

[Interpretation]

présent, les ressources du programme et les demandes faites à ces ressources ont été plus ou moins équilibrées. Le facteur plus important, en ce qui nous concerne, c'est qu'il faut trouver les pays où il y a la meilleure structure qui permet une bonne distribution des produits.

Si, à l'avenir, comme cela semble être le cas, nous devons avoir des demandes qui sont au-delà des ressources du programme, alors, il nous faudra introduire d'autres critères. Probablement, nous voudrions mettre en vigueur que les projets qui ont l'effet maximal sur le développement économique du pays. Et il nous faudra rejeter un certain nombre d'autres projets.

D'autre part, la question qui se relie très étroitement à cette question de savoir comment on détermine les priorités dans un pays, je dois vous dire que nous avons, dans chaque cas, utilisé les services des Nations unies à New York pour faire des études sur toutes les demandes qui sont faites au programme alimentaire mondial. L'on utilise le programme de développement du pays, dans son ensemble, pour voir si la priorité du projet n'a pas déjà été prise en considération dans le cadre des programmes d'aide. Dans ce cas-là, s'il y a déjà une priorité dans ce domaine, on ne fournirait pas l'aide pour le projet. Et ceci évite le déséquilibre.

M. Danforth: Question complémentaire, monsieur le président, et ensuite je passerai la parole à d'autres. Il y a quelque chose qui préoccupe beaucoup d'économistes, en ce qui concerne les programmes de ce genre, et sans aucun doute ceci a été étudié d'une façon approfondie, mais étant donné que l'agriculture est une industrie primaire dans ces pays où on commence à peine le développement industriel, dans quelle situation allons-nous nous trouver, quand certains pays comme les États-Unis et le Canada, où nous développons des projets extrêmement importants... Et ce sont ces mêmes produits que l'on encourage, c'est le développement de ces mêmes produits que l'on encourage dans ces pays. Est-ce qu'il n'y a pas un danger que ces pays importateurs deviennent un jour des pays exportateurs? Est-ce que l'on met vraiment l'accent sur les questions de transport et de distribution plutôt que sur le développement primaire? Ma question est la suivante: quels sont les efforts qui sont faits ou envisagés pour passer de l'abondance à l'absence d'abondance ou pour accroître l'abondance dans certains cas et faire du gaspillage de produits alimentaires dans d'autres cas?

[Texte]

• 1020

[Interprétation]

Le président: Monsieur Aquino?

Mr. Aquino: I will try my best, Mr. Chairman. This is a very tough question, but really, as I pointed out in my introductory remarks, I believe the program of hunger as such is a long way from being solved. I doubt that certain of the large developing countries that are engaged in very important programs of becoming less dependent on imports of food, will carry these programs to the point where they will be in a position to economically compete for products that are already produced in the developing world.

But in any case, in the effort of freeing the world from hunger as the United Nations have seen it, the effort of the World Food Program has always been to increase the food production in these poorer countries so that they will become less dependent on imports, and really on eggs which is what they have been getting mostly. My personal impression is that in spite of the most highly publicized developments in countries such as India and Pakistan, those countries are a long way from actually solving their problems.

To begin with, when you speak to these people about the food problem they always think in terms of grain only, and the problem is more of a balanced diet than really just producing enough food grains to feed themselves. But, even apart from that, the level of income in these countries is such that you will always have for many years to come great pockets of population that will be under-privileged with regard to food.

I answer the question in these very broad terms. I do not know whether I am missing the point. Maybe Mr. Robinson would like to add something.

The Chairman: Mr. Robinson?

Mr. Robinson: I am not sure, Mr. Chairman, that I understood all the implications of the question. I would like to say that in addition to financing the agricultural projects, we are financing infrastructure projects, the building of roads for instance, and the building and restoration of railway lines.

I think we are having some influence on food storage through the experience gained by local people in handling our stores. We have helped arrange in West Africa one course in food storage run by FAO for the nationals of the countries in the area, because the same problems we have in storing food are exactly the problems they have in storing their own home-produced food. So I think we are having a little spin-off effect on reducing food wastage.

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M. Aquino: Je ferai de mon mieux, monsieur le président. C'est une question très complexe. Comme je l'ai fait remarquer dans mes remarques, je pense que ce programme contre la famine est loin d'être terminé. Je pense que certains des grands pays en voie de développement qui s'embarquent dans un programme important afin de devenir moins complexe. Comme je l'ai fait remarquer dans dépendants des produits d'importation poursuivront ces programmes jusqu'à ce qu'ils puissent concurrencer ces produits déjà produits ailleurs.

Quoi qu'il en soit, dans cet effort tenté pour libérer le monde de la faim tel qu'envisagé par les Nations-Unies, le but a toujours été d'augmenter la production alimentaire dans les pays plus pauvres afin qu'ils aient moins à dépendre des importations, principalement l'importation des œufs. Mon impression personnelle c'est que malgré ces développements dont on a fait état et qui se sont produits en Inde et au Pakistan, ces pays sont bien loin d'avoir réglé leurs problèmes. Si vous parlez à ces gens de problèmes alimentaires, ils pensent automatiquement au grain, alors que le problème consiste plutôt à préparer une diète équilibrée. D'autre part, le niveau du revenu dans ces pays est tel qu'il se trouvera, pour plusieurs années encore, des secteurs de la population qui seront sous-privilegiés par rapport à la nourriture. J'ai répondu en termes très vagues et j'ignore si j'ai répondu à la question. Monsieur Robinson voudrait peut-être ajouter quelque chose.

Le président: Monsieur Robinson?

M. Robinson: Je ne suis pas sûr d'avoir tout compris ce qu'a dit le député. En plus du financement des projets agricoles nous finançons également la construction de routes et la construction et la restauration de voies ferrées.

Je crois que nous avons une certaine influence sur l'entreposage de produits alimentaires grâce à l'expérience acquise par certaines personnes du milieu qui s'occupent de nos entrepôts. Nous avons aidé à l'organisation, en Afrique occidentale, d'un cours sur l'entreposage de la nourriture à l'intention des habitants de ces pays parce que les problèmes d'entreposage sont les mêmes pour ces gens en ce qui concerne leurs propres produits. Nous aidons ainsi à réduire le gaspillage alimentaire.

[Text]

The problem of the efficient marketing of foods, however, is much broader than we can cope with. We can make a little contribution on storage, a little contribution on roads. But the organization of extension services, marketing co-ops and so forth, is something that FAO is much more concerned with than we are.

One final thing. I think we have to realize that in populous countries like India, import requirements, although they look very large to exporting countries, are only marginal. India's grain production in 1968 was something like 96 million tons, which is about $3\frac{1}{2}$ billion bushels, and small swings in production can produce terrific swings in import requirements. Even if people in southern Asia and Africa are satisfying their caloric requirements, to say nothing of their protein and fat requirements, their nutritional deficits are much bigger than the surpluses in North America, Western Europe and Australia.

I realize that there is the potential problem you mentioned. Some countries such as Mexico have switched to an export basis. The Philippines, who were on a slight export basis for rice last year, think they will be on a deficit again next year because they have had very severe floods in central Luzon.

So an increasing number of countries will move to an export basis. Kenya, for instance, has so moved in the case of corn. But their problem is that their corn is so high-priced they cannot compete on international markets. It is not a very efficient production as yet. This is something we will have to watch year by year, and we of course do not supply any food stuffs which a country has in surplus.

We have two projects in Mexico but we are not supplying any corn or any wheat to them. We are supplying dairy products, fish, cheese and canned meat. I do not know if this is a complete answer to your question or not.

Mr. Danforth: Maybe I can rephrase it.

The Chairman: Mr. Williams has a supplementary comment.

Mr. Williams: I just thought this might be helpful in respect to Mr. Danforth's question, Mr. Chairman.

As Mr. Olson pointed out, Canada to date has participated in some 120 World Food Program projects. Of those, 40 were concerned with agriculture; 26 were concerned with what are called human resources, which are largely educational project; 21 were infrastructure projects, things such as housing, water supplies, road, railway repairs and things of that nature; four were concerned with industry and minerals; and 29 were

[Interpretation]

Le problème de la mise en marché efficace des produits est plus vaste que ce que nous pouvons faire en ce domaine. Nous pouvons aider à l'entreposage, à la construction de routes, mais le problème des autres services, telle la mise en marché, dépend davantage de l'organisme central.

Je crois, enfin, qu'il nous faut réaliser que pour les pays peuplés comme l'Inde les importations, même si elles semblent importantes pour les exportateurs, sont en fait minimes. En d'autres mots, la production de céréales de l'Inde en 1968 s'établissait aux environs de 96 millions de tonnes, ce qui représente environ trois milliards et demi de boisseaux. Une légère modification de la production peut entraîner des changements radicaux dans l'importation. Même si les populations de l'Asie méridionale et de l'Afrique peuvent satisfaire leurs besoins en calories, leurs besoins sont beaucoup plus importants que les surplus enregistrés en Amérique du Nord, en Europe occidentale et en Australie.

J'admets que peut survenir ce problème que vous avez mentionné. Certains pays, tels le Mexique, exportent. Les Philippines, qui avaient réussi à exporter du riz, devront peut-être importer, l'an prochain. Donc un nombre croissant de pays vont passer à l'exportation. C'est le cas du Kenya, en ce qui concerne le maïs, mais le prix est tellement élevé qu'ils ne peuvent pas entrer en concurrence sur le marché mondial. Cette production n'est pas des plus efficace pour l'instant. Il faudra surveiller la situation de près d'année en année. Évidemment nous n'envoyons pas à un pays des produits qu'il a en assez grande quantité.

Nous n'expédions pas de blé ou de maïs au Mexique, mais des produits laitiers, du poisson, du fromage et des viandes en conserve.

J'ignore si ce que j'ai dit répond à votre question.

M. Danforth: Je pourrais la formuler autrement.

Le président: Monsieur Williams désire ajouter quelque chose.

M. Williams: Voici qui pourrait peut-être être utile par rapport à la question de M. Danforth. Le Canada, comme l'a dit M. Olson, a contribué à 120 projets: de ce nombre, 40 touchaient l'agriculture; 26, les ressources humaines, où il s'agit surtout de projets d'éducation; 21 étaient des projets d'infrastructure, le logement, l'eau, les routes, etc; 4 autres touchaient l'industrie et les minéraux et 29 étaient des projets d'urgence. Donc une grande partie de l'aide canadienne portait sur autre chose que l'encouragement ou le développement de l'agriculture.

[Texte]

emergency. So a very significant portion of the Canadian aid at least is going to other than the stimulation of agriculture, to the sort of thing that you were speaking about, Mr. Danforth, the distribution systems and things of that nature.

Mr. Danforth: Perhaps I can phrase my question a little differently, Mr. Chairman, to elicit more information. I am well aware that our visitors this morning are well versed in this economic field and this is why I am posing these questions.

I think many of us are concerned over the implications of programs such as this. We certainly support them and see the absolute need for such programs. But is there an overall study and control? For example, it has been illustrated that some countries, although receiving help in agricultural production, and I will speak on agriculture, are not in an exporting position and perhaps will not be for a number of years. But the fact still remains that once they get into bulk production, whether they export or not, they contribute part of the normal yearly market of a commodity.

In other words, if a country that has never produced produces 3 million tons, that is 3 million tons added to the world supply. It could conceivably be under a program such as illustrated to us this morning where particular grains are encouraged in developing countries, and we find ourselves in a world-wide surplus supply, and it makes it economically unfeasible to produce these grains perhaps in countries that have used it as a basic economic prop through the years. Is there an over-all consideration of this problem? Or, are we just going to go along and encourage production wherever it is felt that on a country-basis it is needed, until someday we suddenly find out that we have x million tons of grain with nowhere to go and no idea what to do with it?

The Chairman: Mr. Robinson?

Mr. Robinson: As I understand the question, you are not concerned so much about the possible displacement of markets right now while the projects are going on. You are interested in a country's long-time production target which it may be helped to reach by food aid as well as other types of aid. I suppose the most ambitious project for looking at this particular problem is FAO's indicative world plan which is now in preparation and which sets up, under certain stated assumptions, what the probable production of major crops, not only food crops but industrial crops as well, would be in 1975, 1985, and so

[Interprétation]

M. Danforth: Je reposerai ma question d'une façon différente afin d'obtenir plus de renseignements. Je sais que nos visiteurs de ce matin sont au courant des questions économiques.

Je pense que beaucoup d'entre nous sont surtout préoccupés des incidences que peuvent avoir des programmes tels que ceux-ci. Bien sûr nous les appuyons, nous en voyons les besoins essentiels. Mais est-ce qu'il y a une étude globale de la situation, un contrôle? Ainsi, on nous a montré que certains pays, bien qu'ils reçoivent de l'aide en agriculture, ne sont pas en position d'exporter et ne le seront probablement pas avant plusieurs années. Mais le fait reste que dès qu'ils en arrivent à la production massive, même s'ils n'exportent pas, ils contribuent à la production d'une partie du marché annuel normal d'un produit.

Si un pays n'a jamais fourni un produit donné et s'il en produit 3 millions de tonnes, cette quantité s'ajoute à ce qui est produit ailleurs. Cette situation pourrait résulter de la mise en œuvre d'un programme comme ceux dont on vient de nous parler. Il pourrait en résulter un surplus à l'échelle mondiale ce qui rendrait économiquement irréalisable la production de ces céréales dans des pays qui l'avaient utilisée comme stimulant économique au cours des années. Est-ce que l'on tient compte de ces aspects du problème? Ou est-ce qu'on va de l'avant et qu'on en encourage la production dans les pays qui en ont besoin, jusqu'au jour où on réalise qu'il y a un surplus de plusieurs millions de tonnes de céréales et qu'on ne sait plus qu'en faire?

Le président: Monsieur Robinson?

M. Robinson: Si j'ai bien compris la question, vous ne vous préoccupez pas tellement du déplacement du marché à l'heure actuelle. Ce qui vous intéresse ce sont les objectifs de production à long terme de certains pays qui atteindront peut-être ces objectifs grâce à l'aide qui leur aura été fournie. Je suppose que le projet le plus ambitieux en ce domaine est celui par lequel on tente présentement d'établir quelle sera la production totale de tel ou tel item en 1975, 1985, et plus tard encore, quelle sera la demande dans ces pays et quelles seront les tendances commerciales à ce moment-là.

[Text]

forth, what the probable demand within those countries will be, and what the probable trade patterns will be.

This is not published yet on a world-wide basis. They have I believe brought out some of the regional studies, and certainly we will have to take into account these projections which governments will look at during the FAO conferences next autumn, for instance, in deciding which projects we should finance. So far, I think we should confess, this has not been regarded as a very immediate problem in the selection of projects for WFP financing.

The Chairman: Mr. Howard?

Mr. Howard (Okanagan-Boundary): If there is any source of revenue from these commodities that are shipped into countries I wonder if there is not some distance between giving them away free and charging the full price. Some of these countries might possibly be able to pay some of the costs—not that I am concerned over recovering money for Canada for our products, but I wonder whether revenue from this source could be used to extend the program and make it somewhat self-supporting eventually?

The Chairman: Mr. Aquino?

Mr. Aquino: Thank you. Up to now, sir, we have been very careful about sales of foods that have been given to us for the program. Only about 2 per cent of the products that are for human consumption have been sold in the open market. This is so because of our continuous concern about market displacement as of now, and also because the question of additionality is very important to us. In other words, we try to make sure that whatever food we provide will be consumed over and above the amount of food that is available to the people for consumption.

I must say we have never thought of the program in the way the hon. member presents it, that we could become self-sufficient at any time and that we should have larger elements of sales in our program.

Mr. Robinson: May I elaborate on that just a little? I think what you are suggesting is that we use a technique something like the title technique the U.S. used under P.O. 480, at least in the earlier years. Our intergovernmental committee decided against it very early in the peace.

[Interpretation]

Les résultats, pour l'ensemble du globe, n'ont pas encore été rendus publics. Mais je crois qu'on a publié les résultats de certaines études régionales, résultats que les gouvernements seront appelés à étudier l'automne prochain, avant de décider du financement de tel ou tel produit. Jusqu'à présent, je l'avoue, nous n'avons pas considéré cela comme étant un problème grave dans la sélection des programmes à faire financer par le Programme alimentaire mondial.

Le président: Monsieur Howard?

M. Howard (Okanagan-Boundary): S'il y a une source de revenus dans les produits qui sont expédiés vers les pays, je me demande s'il n'y a pas tout de même un grand pas entre les donner gratuitement et les vendre au prix plein. Certains de ces pays pourraient sans doute payer une partie des coûts. Ce n'est pas que je me soucie de récupérer de l'argent pour les produits que donne le Canada, mais je me demande si l'on ne pourrait pas utiliser les recettes provenant de cette source pour étendre le Programme et lui permettre, à la longue, de se suffire à lui-même.

Le président: Monsieur Aquino?

M. Aquino: Merci. Jusqu'à présent, monsieur, nous avons été très prudents en ce qui concerne la vente des produits que l'on nous donnait pour le Programme. Environ 2 p. 100 seulement des denrées destinées à la consommation humaine ont été vendues sur le marché ouvert. La raison en est notre préoccupation constante, jusqu'à présent, à l'égard du déplacement des marchés, ainsi que l'importance pour nous de la question du supplément. En d'autres termes, nous essayons de nous assurer que la nourriture que nous fournissons sera consommée en plus de celle dont disposent les gens.

Je dois dire que nous n'avons jamais envisagé le programme de la façon dont le présente le député, à savoir, que le programme pourrait en arriver à se suffire à lui-même et que nous devrions faire davantage la place à l'élément vente.

M. Robinson: Est-ce que je pourrais donner d'autres détails à cet égard? Ce que vous proposez, je crois, c'est que nous employions une technique comme la technique du titre—P.O. 480—qu'avaient employée les États-Unis au cours des premières années. Notre comité intergouvernemental avait décidé dès le début

[Texte]

Actually, there is only one transfer of resources if you send food to a country and acquire local currency in return. The local currency is not a real resource at all. It is a claim against the resources of the country concerned and, therefore, it gives you some leverage in deciding what they will finance with their local currency.

Now, on a very small scale this has been done without the World Food Program taking title to the local currency. For instance, a typical livestock project such as some of our dairy schemes in India involves a supply of two different types of commodities. It involves a supply of dried skim milk and perhaps butter oil for the reconstitution of milk or for the toning of local milk; that is, buffalo milk with 6 per cent or 7 per cent butterfat can be mixed with reconstituted skim milk to produce a standard product of 2 per cent or 3.5 per cent fat. This is sold on the market and the local currency generated is used to further the purposes of the project.

Similarly, sorghum or corn may be sold to the dairymen at reduced prices. It may be mixed with cotton seed cake and other things and the resulting blended product sold at prices well below market level to start with, increasing to market levels at the end of the project, the purpose being to encourage the use of concentrates in dairying and to develop a market for locally-produced maize and sorghum.

So wherever sales made by the project with the proceeds controlled by the project are possible, those proceeds are used to further the purposes of the project by developing an extension service, by building storage facilities, the whole complex that will go into encouraging more grain production, the feeding of more grain to livestock, the extension of dairy facilities, and so forth. In no case does the World Food Program control the use of the proceeds except as their use is specified in the agreement. I hope this is an answer to your question, sir.

Mr. Howard (Okanagan Boundary): I think this is very interesting and I think it has one other value, which is that in addition to the extensions of the service as you have suggested that are available by getting some revenue from it, one of the problems in relief projects of this kind throughout the world seems to be the resentment the free distribution of products generates in the recipient.

[Interprétation]

de ne pas l'employer. En fait, il n'y a qu'un seul transfert de ressources, si vous envoyez des aliments à un pays et que vous demandiez des devises locales en échange. Ces devises ne constituent absolument pas une ressource réelle. Elles donnent seulement un certain pouvoir sur les ressources du pays en cause, et permettent donc, jusqu'à un certain point, de décider ce que l'on va financer avec ces devises locales.

A une très petite échelle, cela s'est fait, sans que le programme alimentaire mondial acquit un pouvoir sur les devises locales. Par exemple, certains de nos programmes laitiers en Inde consistent dans la fourniture de deux denrées: du lait écrémé en poudre, et peut-être de l'huile de beurre, pour reconstituer le lait ou pour renforcer le lait local—c'est-à-dire qu'en mélangeant du lait de buffle avec 6 p. 100 de graisse de beurre et du lait écrémé reconstitué, on obtient du lait normal contenant 2 p. 100 ou 3.5 p. 100 de matières grasses. On vend ce produit sur le marché, et les devises locales que l'on en retire servent à poursuivre les objectifs du programme.

De même, on peut vendre du sorgho ou du maïs à pris réduit aux producteurs laitiers. Ils peuvent le mélanger à des tourteaux de graines de coton et à d'autres produits, et revendre le produit qui en résulte à un prix bien inférieur au prix des marchés au tout début, mais qui finit par atteindre le prix des marchés en fin de compte. Le but de la chose est d'encourager l'emploi de concentrés dans l'industrie laitière et de créer un marché pour le maïs et le sorgho produits sur place. Ainsi, chaque fois que l'on peut vendre des produits dans le cadre du programme et que le programme peut disposer des recettes, ces recettes sont employées pour poursuivre les objectifs du programme, en mettant sur pied un service d'extension, en construisant des entrepôts, et encourageant l'accroissement de la production de céréales, la meilleure alimentation du bétail, l'augmentation des installations de laiterie, et ainsi de suite. En aucun cas le Programme alimentaire mondial ne contrôle-t-il l'utilisation des recettes, sauf aux fins précisées dans l'accord. J'espère que cela répond à votre question, monsieur.

M. Howard (Okanagan Boundary): Tout cela est très intéressant, et je crois que cela a aussi une autre valeur: on peut étendre les services, comme vous l'avez dit, en obtenant des recettes dans le cadre du programme; mais, de plus, l'un des problèmes que posent justement les programmes d'aide de ce genre dans n'importe quel pays au monde c'est le ressentiment que fait naître chez le bénéficiaire la distribution gratuite des produits.

[Text]

The slogan "Yankee go home" is well known and heard most often in countries where the Americans have been most generous with their support. I wonder if perhaps there is not a lesson for us all in this, that if we ask for something in return—it may only be a token—it preserves the self-respect of the person who is being given these services.

Mr. Aquino: Mr. Chairman, in effect we are asking for something in return in most cases and this is labour or an effort by the people actually participating. But apart from that, I think the multinational character of the program presents a lot of this and also the fact that we make sure these projects we help to finance with the aid of our food are always projects that are highly needed in the country and have gone through the process of planning by the authorities, so they do represent a national effort rather than something that is being more or less imposed from outside. I do not know whether Mr. Robinson will add any more to what I have said.

The Chairman: Mr. Robinson, will you comment?

Mr. Robinson: The places where our experience has met the danger that you have mentioned, I think, is in cases where foods that have been requested for projects have not been the foods normally produced in the area, where for instance people have been used to eating only a soft, uncured cheese start getting a cheddar type cheese, something that is unfamiliar, and it does not particularly appeal to them.

They know it is worth a lot of money and their gratitude in those cases knows considerable bounds, shall we say. There is a terrific tendency to divert to commercial markets, so we are much more careful now than we were in 1963 in supplying only foods, with a few exceptions I will mention, that are customary foods, that they know how to use, that they regard as the sort of foods that they should be eating. There is not much point in developing tastes which they can never afford once the project stops.

The exceptions to this rule are primarily the use of dairy products, because in large areas where cattle are not kept they are not used to drinking milk and yet the protein deficiencies in children from the age of weaning up to six or seven are the most serious

[Interpretation]

Le slogan «les Yankees, chez eux» est bien connu, et on l'entend le plus souvent dans les pays où les Américains ont été le plus généreux. Je me demande si nous n'avons pas tous une leçon à tirer de cela: si nous demandons quelque chose en retour même si ce n'est que symbolique—cela préservera l'amour-propre de la personne à qui nous rendons ces services.

M. Aquino: En fait, monsieur le président, nous demandons quelque chose en retour dans la plupart des cas, et il s'agit généralement de la main-d'œuvre ou d'un effort de la part de ceux qui participent. A part cela, toutefois, je crois que le caractère multinational du Programme élimine beaucoup de cela; le fait aussi que nous nous assurons que les programmes que nous aidons à financer en fournissant des denrées soient toujours des programmes dont le pays ait vraiment besoin et qui aient été mis au point par les autorités, de sorte qu'ils représentent un effort national plutôt que quelque chose de plus ou moins imposé de l'extérieur.

Je ne sais si M. Robinson va vouloir ajouter quoi que ce soit.

Le président: Monsieur Robinson, avez-vous des observations à faire?

M. Robinson: Je crois que les seuls endroits où nous soyons heurtés au danger dont vous avez parlé sont ceux où les aliments demandés pour les programmes n'étaient pas ceux que l'on produit normalement dans la région: par exemple, là où les gens étaient habitués à ne manger qu'un fromage mou et non traité et commencent à obtenir un fromage du type cheddar qui ne leur plaît pas particulièrement.

Ils savent que cela vaut énormément d'argent, et leur reconnaissance connaît alors des limites considérables, pour ainsi dire. Il y a une tendance très forte à se tourner vers les marchés commerciaux, et nous faisons beaucoup plus attention que nous ne le faisons en 1963, à ne leur donner—sauf dans les quelques exceptions que je vais mentionner—que les denrées dont ils ont l'habitude, qu'ils savent comment utiliser, et qu'ils considèrent comme étant le genre de nourriture qu'ils devraient manger. Cela ne donne absolument rien de leur faire acquérir des goûts qu'ils ne pourront jamais satisfaire une fois que le programme prendra fin.

Les exceptions à cette règle consistent, avant tout, dans l'usage de produits laitiers, car, dans les grandes régions où l'on n'a pas de bétail, les gens n'ont pas l'habitude de boire du lait, alors que les déficiences alimentaires les plus graves consistent justement

[Texte]

nutritional deficiencies. Therefore, despite the fact that they are not used to drinking milk, we put milk in virtually every child-feeding project and we find that it goes, and there has not been any stigma attached to accepting it.

The Chairman: Mr. Aquino?

M. Aquino: Mr. Chairman, apart from that, as I suggested in my introductory remarks, most of these projects for the children and mothers bear a very important element of nutritional education. We do not conduct this nutritional education ourselves, but we make it a point for the government to commit itself to use its own facilities for this program. This, I think, is a very important element for you to consider because it actually changes food habits of the younger generation.

Mr. Howard (Okanagan Boundary): I have just one more question. I wonder whether there is any place in the program for private enterprise activity, primarily in the distribution field. I have talked to people who have been involved in this work and they find it very difficult to comprehend the low level of technical ability in many of these countries in distribution that was mentioned earlier, the problems of storage and handling. Yet in this country we have food wholesalers and processors who are so expert in this that the problems would be nothing to them.

Is there any possibility of suggesting distribution opportunities for free enterprise companies who would go in with the idea that they could make a buck, but also help the countries that are concerned by showing them the new methods and using their knowledge, experience and capital to improve these distribution problems?

The Chairman: Mr. Robinson?

Mr. Robinson: It is very hard to build the use of private food distribution channels into a project for which the government itself is responsible. I should say there has been one attempt to develop an infant food industry in one African country—a project using dried skim milk, peanut meal and sorghum. This was a private company. It did not work very well, their market research was apparently not adequate.

This has been the only attempt made at a project involving a private corporation in the

[Interprétation]

dans le manque de protéines chez les enfants de l'âge du sevrage jusqu'à l'âge de six ou sept ans. Donc, même si les gens n'ont pas l'habitude de boire du lait, nous incluons le lait dans presque tous les programmes d'alimentation destinés aux enfants, et nous constatons que cela réussit et que nul ne se reproche d'avoir accepté ce produit.

Le président: Monsieur Aquino?

M. Aquino: Monsieur le président, en outre, comme je l'ai dit dans mes observations préliminaires, la plupart des programmes destinés aux mères et aux enfants, comportent un élément très important d'éducation alimentaire. Nous ne dispensons pas de programme d'éducation alimentaire nous-mêmes, mais nous nous assurons que le gouvernement du pays s'engage à utiliser ses propres services pour un programme de ce genre. Je crois que c'est là un élément très important dont il faut tenir compte, car cela modifie réellement les habitudes alimentaires de la jeune génération.

M. Howard (Okanagan-Boundary): Une dernière question. Je me demande s'il y a place, dans le programme, pour l'activité de l'entreprise privée, surtout dans le domaine de la distribution. J'ai parlé à certaines personnes qui se sont occupées de ce genre de travail, et qui ont du mal à comprendre le peu de compétence technique que l'on a dans bon nombre de ces pays en ce qui concerne la distribution, les problèmes d'entreposage et de manutention. Pourtant, nous avons au Canada des vendeurs de gros et des distributeurs qui sont si experts en la matière que ces problèmes ne seraient rien pour eux.

Serait-il donc possible de proposer des occasions de distribution pour l'entreprise privée, qui irait dans ces pays en comptant faire un petit profit, mais aussi dans l'intention d'aider les pays en cause en leur montrant les nouvelles méthodes et en les faisant bénéficier de ses connaissances, de son expérience et de ses capitaux pour essayer de résoudre ces problèmes de distribution?

Le président: Monsieur Robinson?

M. Robinson: C'est très difficile d'édifier un réseau de distribution privé dont le gouvernement lui-même serait responsable. Je devrais peut-être dire qu'on a déjà tenté de développer une industrie de la diététique infantile dans un pays africain, qui utilisait du lait écrémé en poudre, des arachides et du sorgho. Il s'agissait d'une entreprise privée, mais cela n'a pas marché très bien. L'étude du marché n'ayant pas été suffisamment préparée.

C'est la seule tentative toutefois qui a été faite dans un projet du Programme alimen-

[Text]

distribution of a WFP-financed project. There is, as you probably know, an FAO industry advisory group which is attempting to encourage corporations in the food and related industries to establish plants in developing countries.

We have someone sitting in on all their meetings at FAO headquarters so we know what they are doing. So far this has not resulted in any projects financed primarily by an international corporation and with WFP participation. It may at some time in the future.

Mr. Whicher: I think we would accept that India is one of the hungriest countries in the world. Could you tell us what happens when this food is delivered to India? You mentioned there is no cost other than possible labour cost involved. Could you give us the process of how that food, once it lands from Canada into India, is given away? As far as we are concerned it is free of charge if it gets into some hungry stomach free of charge. We hear stories of a certain amount of black market going on with some of this food. I would like to know that it gets into a hungry Indian's stomach. Could you tell us how this is done.

The Chairman: Mr. Aquino.

Mr. Aquino: Sir, I will let Mr. Robinson answer the supplementary question, but I want to address myself to the last question of the honourable member in this sense. In several countries of the underdeveloped world, facilities for storage and distribution of food have been established by government price stabilization agencies, and we are trying very hard now to use these agencies and their facilities for the storage and distribution of WEP food in bulk to the different projects that we may have in a particular country.

This is the case in Turkey for grains now. They are well established and we are very happy with the relations that we have with the central marketing organization. The same thing is being organized in Colombia, and we have also just received a request from India itself to handle our total supplies through the Indian food corporation in order to be able to make more efficient distribution of the food and also to save any losses.

The Chairman: Mr. Robinson, on the supplementary question.

Mr. Robinson: To use a typical works project, we could talk about the Rajasthan canal project in India, for instance, which is the building of both major canals and feeder ca-

[Interpretation]

taire mondial impliquant une société privée. Comme vous le savez, il y a un Conseil consultatif de la FAO qui encourage l'entreprise privée à établir des usines dans divers pays en voie de développement.

Nous avons un représentant qui assiste à toutes les réunions au siège social de la FAO afin que nous soyons au courant de ce qui se fait. Jusqu'à maintenant aucun projet financé principalement par des sociétés privées internationales, avec l'aide de la FAO, n'a abouti. Mais cela pourrait se produire dans l'avenir.

M. Whicher: Je crois que nous pourrions peut-être dire que l'Inde est peut-être l'un des pays les plus affamés au monde. Pourriez-vous nous dire ce qui se passe lorsqu'on distribue cette nourriture en Inde. Vous avez dit qu'il n'y a pas de frais en cause, sauf la main-d'œuvre, pourriez-vous nous dire ce qui se passe avec ces aliments une fois qu'ils ont quitté le Canada et qu'ils sont distribués en Inde? Sont-ils donnés gratuitement aux affamés?

Nous avons entendu dire parfois qu'il y a un marché noir touchant une certaine quantité de cette nourriture; j'aimerais bien être sûr que cela est donné vraiment aux Indiens affamés. Pourriez-vous nous expliquer le processus?

Le président: Monsieur Aquino?

M. Aquino: Oui, je vais demander à M. Robinson de répondre à cette question supplémentaire, mais je voudrais auparavant répondre à la dernière question en disant que, dans plusieurs pays en voie de développement, les installations pour la distribution et l'emménagement des aliments ont été établies par des agences pour la stabilisation des prix.

Nous essayons de coopérer avec ces agences et nous utilisons leurs installations pour la distribution en vrac des aliments pour les projets que nous aurions dans ces divers pays.

C'est le cas à l'heure actuelle en Turquie pour les céréales. Il y a une institution bien établie et nous sommes très heureux de cette mise en marché. La même chose a été établie en Colombie, et nous avons aussi reçu une demande de l'Inde pour que tous nos approvisionnements passent par la Corporation alimentaire de l'Inde, afin de pouvoir rendre plus efficace la distribution des aliments et aussi pour éviter les pertes.

Le président: Monsieur Robinson, sur la question supplémentaire maintenant?

M. Robinson: Pour employer l'exemple typique d'un projet de travaux publics, par exemple dans l'Inde, la construction des canaux principaux et adjacents du Rajasthan

[Texte]

nals in the Rajasthan desert of Western India. The food, whatever it may be, is unloaded at Bombay and at that point we turn title to it over to the Government of India. Then it is railed as close to the project site as possible; it is trucked to storage centres in the project site. All the workers on the project, who receive rations not only for themselves but for their dependents, have a ration card and they pick up their food every two weeks.

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An hon. Member: Do they pay for it?

Mr. Robinson: No, they do not pay for it. Their work is performed in return for about half the going wage plus food. This, of course, is a remote area—there are no big cities around—and they need the food, so the problems of diversion, since the foods given to them are very simple foods that they are accustomed to, are negligible. I am not saying that we never have any diversion. Our project officers keep a very constant lookout and I should say also that the embassies of donor countries are also on the alert for any food-stuffs that may show up in the shops.

We had a recent example, for instance, in the Republic of China, where some canned fish which was still in the original cases showed up in a market. As soon as we heard about it, the representative asked for an explanation and he was told that in this particular project in the eastern part of the country, worked primarily by unskilled labourers, they were using some contractors and that the contractor has apparently turned over food to some of his unskilled workers and that they, not understanding the rules and having worked for the food, figured it was theirs to do with as they pleased.

This is not a satisfactory explanation because the rations are not such that there would be unbroken cases. Obviously the contractor, or someone else, without distributing the food to the workers, had sold it back into the market. They fired that contractor and we think that we will not have that particular problem in that particular area again.

The Chairman: Mr. Aquino.

Mr. Aquino: I just wanted to add, sir, that in the case of the Republic of China the embarrassment this situation caused the government was very great and they took immediate action to correct it. They now have supervision that will avoid a repetition of the case, although it was a small amount of food that was discovered in the market.

The Chairman: Thank you. Mr. Pringle?

[Interprétation]

dans le désert de l'Ouest de l'Inde. Nous livrons la nourriture à Bombay où nous la remettons aux mains du gouvernement de l'Inde. Tous ceux qui travaillent au projet reçoivent des rations non seulement pour eux mais aussi pour les personnes qui sont à leur charge. Ils ont une carte de rationnement et ils vont chercher leur nourriture à toutes les deux semaines.

Une voix: Est-ce qu'ils la paient?

M. Robinson: Non, en fait, ils travaillent et, en retour, pour la moitié de leur salaire, ils sont payés et, ensuite, ils ont leur nourriture. Évidemment, il s'agit d'un site éloigné, il n'y a pas de ville, et ils ont donc besoin de nourriture et, par conséquent, les aliments qu'ils reçoivent sont très simples et nous n'avons presque pas de vols. Je ne dis jamais qu'il n'y a jamais de vols, mais je devrais aussi ajouter que les ambassades des pays qui font les dons essayent de surveiller les denrées qui pourraient surgir dans les magasins.

Par exemple, dans la République de Chine, il y a eu des boîtes de poisson, dans les caisses originales, qui ont été mises en vente dans les magasins. Au moment que nous avons entendu parler de l'affaire, nous avons demandé une explication. On nous a dit que, dans cette partie du pays, qu'il y avait surtout des manœuvres non spécialisés, qu'on avait employé certains contracteurs qui, apparemment, auraient donné la nourriture en question à leurs employés et que les employés, ne connaissant pas du tout les règlements, auraient décidé qu'ils pouvaient en faire ce que bon leur semblerait. Ce n'était pas une explication valable puisque les caisses n'étaient pas ouvertes. Évidemment, l'entrepreneur avait tout simplement vendu la nourriture. Par conséquent, nous avons limogé l'entrepreneur et nous n'aurons plus de problèmes de ce genre dans cette région particulière.

Le président: Monsieur Aquino?

M. Aquino: Je voulais tout simplement ajouter, monsieur, que, dans le cas de la République de la Chine, l'embarras causé au gouvernement par cette situation a été très grand et que le gouvernement a pris des mesures immédiatement pour corriger la situation. On a maintenant une surveillance qui éliminera que cela se répète.

Le président: Merci. Monsieur Pringle?

[Text]

Mr. Pringle: Mr. Chairman, thank you. Most of my questions have been answered in the various discussions. I would like to say, though, that this is a most enlightening discussion this morning and I for one profess some ignorance with regard to the work that has been done by the World Food projects. I think that we look at the world food supply as being one of the major problems with regard to society today.

Our country is in continual surplus in agricultural products, and some other countries are in continual surplus in agricultural products. Could you enlighten us as to the process of procurement in the countries of oversupply? With the experience you have had until the present time do you envision a time when we might be able to establish economically sound bases for world distribution by extending the programs and expanding the programs which you are suggesting—where we might be able to work out a program which would be economically sound and yet would dispose of surpluses in one area and provide for the deficiencies in other areas?

Mr. Robinson: If I may reply to the first part of the question, sir, as far as procurement is concerned, pledges are made in two different ways. Some countries, particularly those making smaller pledges, will pledge only one commodity. Some, like Canada and the United States, give us a rather wide range of choice. The United States says, "All of the following commodities which are available, under title too, you can take in any proportion you like." Canada normally gives us some guidelines. Canada may say, "We would like you to take 40 per cent of the commodity pledge in the form of cereal products, 40 per cent in the form of dairy products, and 20 per cent in the form of fish".

These pledges are held at our disposal by the donor government until we call for them, and the procedure goes like this.

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First of all, we have a project which needs, we will say, 10,000 tons of flour. We ask the Canadian Embassy in Rome to ask the government here, "Would you be able to supply 10,000 tons of flour to this particular project? We will need 2,000 tons this year and 2,000 tons next year", and so forth. And the government says, "Yes, we can supply."

Then when we need it we ask the Embassy to send a telex here asking for it to be shipped. We specify the place it is to be shipped to and so forth. We do no buying

[Interpretation]

M. Pringle: Merci, monsieur le président. La plupart de mes questions ont trouvé réponse au cours de la discussion, mais je voudrais dire toutefois que la discussion a été excellente ce matin; j'ai trouvé que c'était une mine de renseignements. Honnêtement, j'étais plutôt ignorant de ce qui se faisait par le truchement du Programme alimentaire mondial, et je crois que nous considérons l'approvisionnement ou l'alimentation du monde aujourd'hui comme étant l'un des problèmes de l'humanité.

Notre pays est un pays de production excédentaire et d'autres ont toujours une production excédentaire, alors que d'autres n'en ont pas suffisamment. Et, alors, est-ce que vous pourriez me dire quel est le procédé que l'on suit dans les pays où il y a une production excédentaire? Et, est-ce que vous croyez que le moment viendra où nous pourrions établir les bases économiques saines pour la distribution à travers le monde en étendant les programmes, en les élargissant, ou nous pourrions peut-être avoir un programme qui serait viable et sain du point de vue économique, tout en distribuant les excédents dans une région et répondant aux lacunes dans d'autres régions?

M. Robinson: Si je peux répondre à la première partie de votre question, les dons sont faits de deux façons: Certains pays redonnent qu'une sorte de denrée, d'autres comme le Canada et les États-Unis, par exemple, nous donnent toute une gamme de produits. Le Canada normalement nous donne des lignes directives. On peut nous dire, par exemple: Prenez 40 p. 100 de notre engagement sous forme de céréales, 40 p. 100 sous forme de produits laitiers et 20 p. 100 sous forme de poisson.

Maintenant, ces dons sont mis à notre disposition par pays donateur jusqu'à ce que nous le demandions, et voici la procédure utilisée: tout d'abord, nous avons un projet, mettons, qui aurait besoin de 10,000 tonnes de farine; nous demandons donc à l'ambassadeur du Canada à Rome de faire des représentations

au gouvernement afin de savoir s'il pourrait nous donner 10,000 tonnes de farine pour un projet de ce genre; nous aurions besoin de 2,000 tonnes cette année, 2,000 tonnes l'an prochain, etc. Le gouvernement nous donne son assentiment.

Et, lorsque nous avons besoin de cette denrée, nous demandons à l'ambassade de télégraphier au Canada pour demander l'expédition, en leur spécifiant l'endroit où la

[Texte]

ourselves except in very rare cases. The occasions when we buy are, first of all, if we have an emergency which is so acute and all our supplies are so distant either in point of distance or in point of time that they cannot arrive until after people would have died, in which case we may use part of our cash to buy in a coast source. For instance, for a land-locked country like Botswana where there is now an emergency operation going and expanding rapidly because of a protracted drought, we are buying some maize meal locally. It is maize meal milled in Botswana from South African maize, because anywhere else we get cornmeal it takes months and months to get there.

Another case where we purchase is where we have lost a cargo because a ship has sunk. We had a partial cargo of Canadian flour which ran on a reef just outside of Madagascar on its way to Taiwan and the ship was a complete loss. We recovered from the insurance company and we are now in the process of buying flour in replacement from Canadian millers. We are spending the money here as a commercial purchase, but this is an exceptional thing. Normally procurement is a responsibility of the government itself and we take delivery from the donor government at an export port, which means, of course, that the Canadian pledge is drawn on primarily between the months of April and November, except for shipments on the west coast.

Mr. Pringle: Another point that I am concerned about, Mr. Chairman, is that food habits are fairly well entrenched in most areas. In other words, people are used to eating food and are used to, I would imagine, eating the food which they produce themselves; this is normal. We have heard some complaints that where food has been supplied to people who are not used to this type of food there is some difficulty there. We even had a problem the other day from Newfoundland where the people were complaining about the CNR's supplying them on their train with food they were not accustomed to eating. And this is in our own country.

Mr. Gleave: They should be happy to have a train in Newfoundland.

Mr. Pringle: How do you go about convincing people in these areas to eat the food that is surplus in other areas? And in supplying this food free, is there any danger of upsetting their own local economy with regard to the supply of their own food? How do you handle this situation?

[Interprétation]

livraison doit avoir lieu. Nous n'achetons pas nous-mêmes, sauf dans de très rares cas. Par exemple, s'il y a une situation d'urgence, qui est tellement aiguë et que tous nos approvisionnements sont trop éloignés, soit en distance soit en temps, qu'on ne pourrait les obtenir qu'après la mort des personnes alors dans cette circonstance-là, nous pourrions peut-être employer notre argent pour acheter auprès des fournisseurs de la côte. Dans un pays tel que le Botswana, où une opération d'urgence se poursuit à l'heure actuelle, à cause de la sécheresse, nous avons obtenu du maïs localement. C'est du maïs en provenance d'Afrique du Sud mais mouler au Botswana. Si nous devions l'acheter ailleurs, nous ne pourrions pas l'obtenir avant des mois.

Un autre cas où nous devons acheter, par exemple, c'est lorsque l'on a perdu notre cargaison parce que le navire a sombré sur des récifs près de Formose. Nous avons recouvré notre perte de l'assurance et nous sommes en train d'acheter de la farine canadienne. Nous faisons là, un achat commercial, mais ce cas est exceptionnel. Normalement c'est la responsabilité du gouvernement lui-même de nous fournir des dons et nous en prenons livraison à un port d'expédition. En d'autres termes, l'engagement du Canada est honoré entre mai et novembre, sauf en ce qui concerne les livraisons sur la côte Ouest.

M. Pringle: Un autre point qui m'intéresse, monsieur le président, est que les habitudes alimentaires sont plutôt piétinées dans certaines régions. En d'autres mots les gens sont habitués à telle ou telle genre de nourriture et sont plutôt intéressés à manger la nourriture qu'ils produisent eux-mêmes n'est-ce pas? Nous avons entendu certaines plaintes au sujet de produits qui avaient été donnés à des gens qui n'étaient pas habitués à ce genre de nourriture. L'autre jour à Terre-Neuve, même, nous avons eu un problème, les gens nous disaient que le National Canadien dans leur propre train, leur servait la nourriture à laquelle ils n'étaient pas habitués et ceci arrive dans notre propre pays.

M. Gleave: Ils devaient être heureux d'avoir un train à Terre-Neuve!

M. Pringle: Et alors comment arrivez-vous à convaincre les gens de ces régions de manger de la nourriture qui est excédentaire dans d'autres régions. Quand vous donnez ces produits gratuitement est-ce qu'il n'y a pas danger de déséquilibrer l'économie d'un pays si les habitants acceptent ces excédents? Comment arrivez-vous à régler cette situation?

[Text]

Mr. Aquino: Sir, we have tried, particularly in recent years, to avoid supplying foods that are not the normal diet of the people concerned and we are supplying either the same products that they have been used to eating or those that are so close that they can be accepted without much problem. But as we explained earlier, we are also providing some foreign foods to the younger groups, particularly in schools, and to the children between weaning age and the age of seven, in the hope that their feeding habits will change.

For this we are using to a great extent, particularly in the more developed countries of our recipient groups, the services of the nutrition institutes or authorities of the country. Therefore there is an element of nutritional education together with the actual feeding of the groups in order that they may learn how to cook the food and to eat it. On many occasions we have learned that the refusal of our food is based only on the fact that they do not know how to prepare the food as a wholesome dish.

• 1055

The Chairman: Mr. Robinson; did you wish to comment?

Mr. Robinson: I might give an extremely interesting recent example of introducing an entirely unfamiliar food and how it was gone about.

Northern Norway is almost completely dependent on the production of stock fish, that is, an unsalted dried fish. Their big market for stock fish has been Nigeria but their market in Nigeria was cut off by the war. Therefore they had large surpluses of stock fish which they had to move. An entire set of communities were dependent entirely on stock fish. In Northern Africa there has never been any market for stock fish. People were used to eating a few fresh fish and a little salt fish, but no stock fish.

Stock fish is very, very hard and it requires considerable soaking. Since it was unfamiliar and since this was very important to the Norwegian government and to the stock fish association, they devoted a lot of manpower to it. They took a market promotion man, they hired a couple of chefs from Oslo hotels, they got a couple of storage men from the stock fish association who were familiar with the storage of stock fish and they sent a team into every province where stock fish was going to be used. When they started in they said: "Do not touch the fish until we get

[Interpretation]

M. Aquino: Nous avons essayé surtout au cours des dernières années, d'éviter l'approvisionnement d'aliments qui ne font pas partie du régime alimentaire normal des gens en cause. Et nous donnons, soit les produits auxquels ils sont habitués soit des produits qui leur ressemblent tellement qu'ils peuvent être acceptés sans beaucoup de difficultés. Comme nous l'avons expliqué plus tôt, nous essaierons aussi l'approvisionnement d'aliments de provenance étrangère aux groupes plus jeunes, surtout aux enfants, du sevrage jusqu'à l'âge de 7 ans, en espérant ainsi que leurs habitudes alimentaires changeront.

A ces fins, tout particulièrement dans les pays plus développés de notre groupe de pays récipiendaires, nous employons amplement les services des instituts en alimentation et en diététique. Par conséquent, on procède à l'éducation des groupes en même temps que leur alimentation. Il faut qu'ils apprennent à faire la cuisson de cette nourriture et à la manger. Dans plusieurs cas, nous avons appris que le refus de nos aliments était uniquement le fait qu'on ne savait pas comment les faire cuire.

Le président: Monsieur Robinson, avez-vous un commentaire?

M. Robinson: Je pourrais peut-être vous donner un exemple très intéressant sur cette question de l'introduction d'un produit par famille.

Le nord de la Norvège, par exemple, dont l'économie dépend presque entièrement de la production de poisson séché, avait un marché considérable en Nigéria pour leurs poissons, mais leur marché a été coupé par la guerre du Nigéria. Par conséquent la Norvège se trouvait aux prises avec des surplus considérables dans le nord de l'Afrique, il n'y a jamais eu de demandes pour le poisson séché, on utilise du poisson frais et un peu de poisson salé.

Le poisson séché est très très dur et il faut, évidemment, le faire tremper très longtemps. Le gouvernement norvégien a donc engagé quelques chefs cuisiniers des hôtels d'Oslo, et a envoyé une équipe dans chaque province où on devait employer le poisson. Ces experts ont alors dit: «N'employez pas le poisson avant qu'on vous montre comment procéder» car il faut le faire tremper pendant 24 heures, mais après cela, on peut l'employer comme n'importe quel autre poisson, n'importe quelle viande que l'on mélange avec des céréales. Et ensuite, on a fait appel aux directeurs d'éco-

[Texte]

there; we will show you how to do it, because it has to be soaked for about 24 hours—soaked once.” And from that point on it can be handled like any other fish or any meat in local dishes which involve the mixing of meat and fish with cereals.

Then they called in the headmasters of the schools and fed them the stock fish using Algerian dishes and got their agreement that this was pretty good. Then they went out to the individual schools and taught the cooks of the individual schools how to use it. They started in the eastern end of the country and they worked their way west. They were still at it when we left Rome. There were 500 tons of stock fish involved in this first shipment and it was pretty important not only to us, because we do not want to have 400 tons of stock fish wasted or turned down because people do not know how to cook it, but it was also extremely important to the Norwegians because if this had not gone, we would not have drawn any more stock fish from them for Algeria and they would have had no prospect of ever developing a commercial market for stock fish in Algeria, which they want to do.

This is an extreme example of a donor government putting a lot of manpower into an effort. Normally, as Mr. Aquino says, it is the nutritional arm of the local government, plus the FAO nutritionist in the country, plus perhaps some UNICEF and WHO workers who offer the advice. But if it is important enough, we can get help from donor countries.

Mr. Pringle: I think that is an excellent idea. To me that promotional scheme is one of the highlights of the discussion this morning and I would hope that our Department of Agriculture will take note of that. Perhaps we can talk some of these people into using wheat in a certain way which they are not able to do at the present time. I just have one more question and then I am through.

My previous question was possibly not very well phrased so I will ask: if economically possible, do you feel that all of Canada's surplus food could be used in other parts of the world—if it were economically possible to do it? In other words, would all of our products be acceptable somewhere else in the world where there are serious deficiencies at the present time?

The Chairman: Mr. Robinson.

Mr. Robinson: We have never had any problem with the acceptability of any Canadi-

[Interprétation]

les pour déguster le poisson cuit à l'algérienne, ils l'ont trouvé délicieux.

Par après, les experts ont répété l'expérience dans toutes les écoles de l'Algérie. Ils ont commencé à l'est en se dirigeant vers l'ouest, ils étaient toujours en train de poursuivre l'expérience quand nous avons quitté Rome. Le premier envoi comprenait 500 tonnes de poisson et c'était important non seulement pour nous, car nous ne voulons pas voir gaspiller 400 tonnes de poisson vu que les gens ne savent pas comment le faire cuire et cela était très important pour les Norvégiens aussi, car si on ne l'avait pas fait, la Norvège ne nous aurait jamais fourni d'autres poissons pour l'Algérie et n'aurait jamais eu l'occasion d'ouvrir un nouveau marché pour son poisson séché.

Voilà un exemple où le pays donateur consacre beaucoup de temps et de main-d'œuvre pour un véritable effort. Normalement, comme l'a dit M. Aquino, ce sont les diététiciens du pays que l'on aide et le personnel de la FAO et éventuellement celui de l'UNICEF et de l'OMS qui leur montrent comment employer le produit. Mais si l'affaire est d'importance, nous pouvons faire appel au pays en cause.

M. Pringle: J'ai l'impression que cette partie de la discussion est très importante et j'espère que notre propre ministère de l'Agriculture en tiendra compte, car il y aurait moyen justement d'apprendre aux pays que l'on aide à utiliser le blé d'une manière nouvelle. J'ai une toute dernière question.

Ma première question n'était peut-être pas formulée comme il le faut, mais permettez-moi de dire ceci. Si c'était économiquement faisable, croyez-vous que tous les excédents alimentaires du Canada pourraient être employés dans les autres parties du monde? En d'autres termes, si c'était économiquement possible est-ce que tous nos produits pourraient être acceptables ailleurs dans le monde, là où il y a des lacunes criantes à l'heure actuelle?

Le président: Monsieur Robinson.

M. Robinson: Nous n'avons jamais eu de problème quant à l'acceptation de n'importe

[Text]

an products given to us so far and there has been a very broad spectrum of 10 different products. There are some areas in the world where no product they are getting from Canada now would take the place of the staple food. There is no Canadian product which is acceptable in countries where people eat only rice as their major source of energy. We have tried using a bulgar wheat from the U.S., for instance, which can be prepared in the same way; it does not look the same, it does not taste the same and the degree of acceptability is not terribly high. So I would say there are some areas where the total diet could not be supplied from Canadian pledges.

The same thing is true in parts of Africa, for instance, where the major source of energy is a root crop, a yam or a potato; or in parts of the South Pacific where it is taro. There are places where people just are not used to eating wheat and where it is awfully hard to get them to eat wheat.

But in general all the products that Canada has in surplus are acceptable in a very wide range of countries. Some products which you very generously give to us despite the fact that you do not want to get rid of them very badly, for instance beans, are probably the cheapest source of protein and we have received more beans from Canada than anywhere else. We can use all the beans that we can possibly get anywhere. We realize they are not much of a problem for you, but they are very welcome to us.

● 1100

Mr. Aquino: I would like to add something, if I may, Mr. Chairman. The World Food Program could certainly use larger quantities of Canadian products.

When we go to the next meeting of our IGC, Intergovernmental Committee, we will present them with projects that have been approved under the authority given to the Executive Director, or which are placed before them for their consideration, for a total value of about \$180 million which have already been made this year, so the rate at which the demand is growing in the developing countries for WFP assistance is increasing very rapidly. The countries are learning how to use food efficiently for their development projects. Not only that, they are now presenting us with much larger projects than at the beginning.

Of course, the big question of equating worldwide supply and demand which, as I

[Interpretation]

quel produit canadien jusqu'à présent. Il y a eu une très vaste gamme, dix produits en tout. Il y a des parties du monde où les produits canadiens ne sont pas envoyés à l'heure actuelle. Il n'y a pas de produits canadiens qui seraient acceptables dans un pays où les gens ne mangent que du riz, par exemple. Nous avons essayé l'orge bulgare des États-Unis qui lui ressemble un peu, mais l'acceptation n'est pas tellement élevée non plus. Ainsi je dirais qu'il y a des endroits où le régime alimentaire ne peut être autre chose que le riz, qui ne peuvent être aidés totalement avec des dons canadiens.

La même chose se produit en Afrique là où la source nutritive principale est la racine des ignames, ou dans les parties du Pacifique sud où on ne mange que le taro.

Mais, en général, tous les produits que le Canada produit de façon excédentaire sont acceptables dans plusieurs pays. Certains produits que vous nous offrez de façon très généreuse, malgré le fait que vous ne voulez pas vous en défaire à tout prix, les fèves, par exemple, sont peut-être la source de protéines le meilleur marché et nous avons obtenu plus de fèves du Canada que de partout ailleurs et nous pourrions employer toutes les fèves que nous aurons. Ce n'est pas un problème pour vous mais nous les accueillerons avec plaisir.

M. Aquino: J'aimerais ajouter quelque chose si vous me le permettez, monsieur le président. Le programme alimentaire mondial pourrait certainement utiliser de plus grandes quantités de produits canadiens.

Lorsque nous irons à la prochaine réunion de notre Comité intergouvernemental, nous allons présenter des projets qui ont été approuvés sous l'autorité du directeur exécutif ou qu'on leur demande d'approuver pour un montant global d'environ 180 millions de dollars qui ont déjà été exécutés cette année, de sorte que le taux où la demande s'accroît dans les pays en voie de développement pour l'aide du programme alimentaire mondial est extrêmement rapide. Les pays apprennent à utiliser l'alimentation efficacement pour leur projet de développement. Non seulement cela, mais ils nous présentent des projets beaucoup plus importants qu'au début.

Bien sûr, la grosse question de faire un équilibre entre la demande et l'offre sur une

[Texte]

understand it is the particular point of your question, is a bigger issue. I would say that in the short run there is certainly a demand for all the food that Canada can produce in the countries of the developing area.

However, this demand may not be effective because the countries cannot obtain the foreign exchange to purchase all these quantities of food from you, but certainly in the medium term, if they continue to grow from an economic standpoint, there should be a chance for large amounts to be sold in commercial transactions and, of course, in the immediate run I would say WFP can certainly use considerably greater amounts of Canadian food in our program.

Mr. Muir (Lisgar): Mr. Chairman, I have a supplementary to this which I would like to put now. As a matter of fact, it has been answered as far as the World Food Program is concerned but I would like to ask Mr. Williams if the Department of Agriculture has any educational program on the changing eating habits of the people to whom we are shipping, such as took place during the American occupation of Japan when there was quite a change from their dietary habit of eating rice to cereal products.

Mr. Williams: No, the Department of Agriculture has no direct promotional programs aimed at changing food habits in other countries.

Mr. Muir (Lisgar): Do you not think it would be a good idea if, together with our wheat, we sent a baker along to show them how to make our bread?

Mr. Williams: We provide a great deal of technical service, as opposed to promotional service, to countries. Under our Board of Grain Commissioners we have people who go to these countries to give them information how best to use our wheat.

For example, in Japan they make a very special type of loaf that has a crust on four sides. It is baked in a closed container, it is square and they take the crust off before they serve it. They need particular characteristics in the flour and in the recipe, I suppose you might call it, for the production of the type of loaf that suits their needs. We have people who visit these countries and work with the people to assist them in the best use of our Canadian products, but they are not promotional programs aimed at the consumers.

[Interprétation]

base mondiale, qui est la question que vous allez poser, si j'ai bien compris, c'est un problème bien plus important. Je dirais, qu'à court terme, il y a une demande pour tous les produits que le Canada peut produire dans les pays des régions en voie de développement.

Néanmoins, cette demande peut ne pas être effective parce que ces pays ne pourraient pas obtenir le change étranger pour acheter tous ces produits de vous, mais à moyen terme, s'ils continuent à s'accroître du point de vue économique, il devrait y avoir des possibilités que des quantités plus importantes puissent être vendues commercialement et je dirais que, pour l'instant, le programme alimentaire mondial pourrait certainement utiliser des quantités plus importantes de produits canadiens dans les programmes.

M. Muir (Lisgar): Monsieur le président, j'ai une question supplémentaire que je voulais poser maintenant. Au fait, elle a déjà été répondue en ce qui concerne le programme alimentaire mondial, mais j'aimerais demander à M. Williams si le ministère de l'Agriculture a des programmes éducatifs concernant la modification des habitudes alimentaires dans ces pays où l'on envoie de la nourriture? Par exemple, au Japon, pendant l'occupation américaine, il y a eu une grande modification dans le régime des Japonais, soit du riz aux céréales.

M. Williams: Non, le ministère de l'Agriculture n'a pas de programmes destinés à changer les habitudes alimentaires dans d'autres pays.

M. Muir (Lisgar): Pensez-vous que ce serait une bonne chose si, avec le blé, on leur envoyait un boulanger qui leur enseignerait comment faire du pain.

M. Williams: Nous avons des gens qui se rendent dans les pays et qui apprennent aux gens comment utiliser le blé pour faire des pains.

Par exemple, au Japon, ils font un type de pain particulier avec de la croûte des quatre côtés. Il est cuit dans un récipient clos, il est carré et on enlève la croûte avant de le servir. La farine doit avoir des caractéristiques particulières. Il faut une recette, si l'on veut, spéciale pour produire le genre de pain qui répond à leurs besoins. Donc, nous avons des gens qui visitent ces pays, qui travaillent avec les gens sur place, pour les aider à mieux utiliser les produits canadiens. Mais ce ne sont pas des programmes de promotion

[Text]

They are aimed at the users at the commercial level.

Mr. Muir (Lisgar): In other words, Canada to some extent does have a promotional service but you do not call it a promotional service.

Mr. Williams: We do not call it a promotional service, we call it a technical assistance service. However, I suppose it could also be called a promotional service.

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Mr. Muir (Lisgar): You can get packages of bread mix which come in about this size and they make a beautiful loaf of bread. I have often wondered if it would not be a good idea if Canada did a little more of this sort of thing. It is flour shipped in small bags.

The Chairman: Mr. Robinson has a comment.

Mr. Robinson: I wonder if I might expand a little bit on the answer to Mr. Pringle's question and go back a little bit in history. When we first began we had to start our projects from scratch, and it takes about a year from the time a country makes a proposal until we actually start shipping food. Therefore during 1963 to 1965, and to a lesser extent in 1966, not only Canada but all our other donors were telling us, "Why do you not call for our stuff? It is here waiting for you. We are paying storage on it. Why do you not take it?" We have now passed that stage.

During 1969 and 1970, even if we did not approve any projects at all, we could still place the \$15 million worth of Canadian products in projects that we have already approved, that are already running, to which forward commitments have been made. We picked up every bit of Canadian food from the 1966-68 pledge by the end of 1968, and as soon as the new fiscal year starts we will start drawing this year's \$7.5 million worth of food. If your question was, as I think it may have been, what if Canada were to pledge not \$10 million or \$7.5 million worth of food a year, but if it were \$15 million, \$30 million or \$45 million worth of food a year could the World Food Program use it effectively in projects? If that was the sense of your question, I think the answer is yes.

The Chairman: This is promotion! I will now recognize Mr. Douglas.

Mr. Douglas: This new International Grains Agreement, which I believe became operative last July 1, included some arrangements for

[Interpretation]

destinés aux consommateurs, mais aux usagers commerciaux.

M. Muir (Lisgar): En d'autres mots, le Canada a un service de promotion dans une certaine mesure, mais vous ne l'appellez pas un programme de promotion.

M. Williams: Nous appelons cela de l'assistance technique, mais si vous voulez, on peut appeler cela de la promotion.

M. Muir (Lisgar): On peut obtenir des emballages de mélange à pain d'à peu près la même grosseur et faire des pains très beaux, et ce serait une bonne chose si le Canada faisait quelque chose de ce genre. C'est de la farine expédiée dans des petits sacs.

Le président: M. Robinson a un commentaire.

M. Robinson: Est-ce que je peux développer un peu la réponse de M. Pringle? Lorsque nous avons commencé nous avons dû commencer à rien et il faut à peu près un an entre la proposition du pays jusqu'au moment où l'alimentation arrive. Donc, de 1963 à 1965, et moins en 1966 beaucoup de pays, comme le Canada, nous ont dit: «Mais pourquoi ne faites-vous pas appel à nous? Le matériel est là. Il vous attend, nous en payons l'entreposage. Pourquoi ne le prendre?» Nous avons dépassé ce stade.

En 1969 et 1970, même si nous n'avons pas approuvé de projets, nous pouvions quand même placer les 15 millions de dollars de produits canadiens dans des projets qui sont déjà approuvés, qui fonctionnent déjà, auxquels on a déjà fait des promesses. Nous avons utilisé tous les produits canadiens qui avaient été promis pour 1966-1968 à la fin de 1968, et dès le début de la nouvelle année financière, nous commencerons à toucher les \$7,500,000 d'aliments de la présente année. Si votre question demandait, et je crois qu'elle le faisait, si le Canada, au lieu de promettre \$10,000,000 ou \$7,500,000 d'aliments par année, en promettait plutôt 15, 30 ou 45 millions de dollars par année, est-ce que le programme alimentaire mondial pourrait s'en servir effectivement dans ses projets? Si c'était votre question, je crois que la réponse est oui.

Le président: C'est de la promotion! La parole est à M. Douglas.

M. Douglas: Ce nouvel Accord international sur les céréales qui, je crois, est entré en vigueur le 1^{er} juillet dernier, comportait des

[Texte]

food aid. Are those arrangements integrated with your organization?

Mr. Aquino: Mr. Chairman, as I pointed out in my introductory remarks, some of the European countries—and I am particularly referring now to Scandinavia, Switzerland and the U.K.—have found it appropriate to use the World Food Program as a channel for discharging their obligations under the Food Aid Convention of the International Grains Agreement. We are very proud of this trust and we are carrying it out to the best of our ability.

I hope they will be satisfied with the service we are providing. Certainly up to now the amount that we have received under the Food Aid Convention—which is, of course, additional to what these countries have pledged in the regular WFP pledges—is only a total, if my memory does not fail me, of about 160,000 tons.

Mr. Douglas: For this year.

Mr. Aquino: For this year, yes, but other countries will probably also join. Germany has expressed some interest in handling about 50,000 tons of their contribution through the World Food Program. I hope that other countries will also see fit to use the World Food Program services. I think this will be particularly important for those countries that are worried about others using these FAC donations for promotion of further commercial sales of their own.

Mr. Douglas: Thank you. You have answered that question very satisfactorily. I am pleased to learn that these commitments under the International Grains Agreement are over and above other commitments to world food aid.

Another thing that occurred to me—and I had it written down before it came up in one of the reports—particularly has to do with the problem of rats in India. From time to time we have seen this publicized quite widely. It appeared just recently again in the daily newspapers, and although I forget what the figures were a shockingly high percentage of the grain that goes to India—it may be grain that is produced there, for all I know—is lost to the terrific population of rats that they have in India, and that they do not try to do anything about. Are you taking any steps to try to persuade them to control the rats? I know you are trying to teach them

[Interprétation]

dispositions concernant l'aide alimentaire. Ces dispositions sont-elles comprises dans votre organisation?

M. Aquino: Monsieur le président, comme je l'ai indiqué dans mes remarques d'introduction, certains des pays européens, je me réfère surtout aux pays scandinaves, à la Suisse et au Royaume-Uni, ont trouvé approprié de se servir de ce programme alimentaire mondial pour remplir leurs responsabilités dans le cadre de la convention sur l'aide alimentaire de l'Accord international sur les céréales, nous sommes fiers de cette confiance et nous nous efforçons de répondre à leurs besoins.

J'espère qu'ils seront satisfaits des services que nous fournissons. Jusqu'à présent, la quantité que nous avons reçue dans le cadre de la Convention sur l'aide alimentaire qui est, bien entendu, en plus de ce que ces pays ont promis en vertu du Programme alimentaire mondial, n'est qu'un total qui représente environ 160,000 tonnes pour cette année, si je ne me trompe.

M. Douglas: Pour cette année.

M. Aquino: Oui, pour cette année. D'autres pays, probablement, vont se joindre. L'Allemagne a exprimé son intérêt et fournirait peut-être 50,000 tonnes de sa contribution dans le cadre du PAM. D'autres pays le feront éventuellement. Ceci est important surtout pour les pays qui sont préoccupés par le fait que certains pourraient se servir de ce programme pour faire de la vente commerciale.

M. Douglas: Merci. Votre réponse me satisfait. Il me fait plaisir d'apprendre que ces engagements en vertu de l'Accord international sur les céréales sont de beaucoup plus considérables que d'autres engagements pour l'aide alimentaire mondiale.

J'ai pensé à une autre chose, et je l'avais écrite avant qu'elle apparaisse dans les rapports, concerne surtout les rats en Inde. De temps en temps, nous avons vu de la publicité très répandue à ce sujet. On en a vu très récemment dans les journaux quotidiens, et bien que j'oublie les chiffres, un pourcentage extrêmement élevé de céréales qui est envoyé en Inde (il se peut que des céréales soient récoltées en Inde, pour ce que j'en sais) est perdu à cette énorme population de rats qu'ils ont en Inde et qu'ils ne font rien pour s'en débarrasser. Prenez-vous des dispositions pour essayer de le convaincre de contrôler les rats? Je sais que vous essayez de leur appren-

[Text]

how to store the grain so the rats will not affect it.

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Mr. Aquino: Mr. Chairman, we are not trying to persuade them to kill the rats. We are trying to teach them how to prevent the rats from getting to the food. I do not know if you want to add anything, Mr. Robinson, but as far as WFP resources going into India are concerned, we take very good care that the rats do not get at it.

Mr. Douglas: I think most Canadian people are completely in favour of this food aid program and would like to see it multiplied as quickly as possible, but this sort of thing that you read in the paper is a bit discouraging to people who are willing to provide food.

Another thing is that when you were discussing the distribution of this food aid you mentioned that some countries are much more able to take care of it than others. The thought occurred to me that probably the ones who are most able to take care of the storage and the distribution, and the record-keeping and so on, are maybe not the ones who need the food the worst. Are you considering any assistance towards developing internal capabilities in this regard?

Mr. Robinson: Yes, sir, this is a constant process.

To take one of the worst examples, a country like Basuto, the former Botswana, which has almost no university graduates and very few secondary school graduates, when we started there our program was a shambles. Nobody knew how to keep stock records, nobody knew much about food storage, and we complained bitterly and threatened to cut off the food. As a result the Prime Minister assigned an expatriate civil servant who was a very good colonial service officer, and made him responsible for all food aid coming into the country, not only World Food Program aid, but also aid from Catholic relief services. And he is training local people to take his place. We also assigned as project officer an accountant who set up systems of stock records, and things have improved greatly. Now, losses are very small.

The diversions which had occurred for political reasons have stopped because they could be identified, and a man who was a cabinet member and was handling a fair share of the food no longer has anything to do with our food because the Prime Minister took it away from him. We have started in just

[Interpretation]

dre comment entreposer les céréales à l'épreuve des rats.

M. Aquino: Non, monsieur le président, nous n'essayons pas de les convaincre de tuer les rats. Nous essayons de leur montrer comment empêcher les rats d'atteindre les aliments. Je ne sais pas si vous voulez ajouter quelque chose, monsieur Robinson, en ce qui concerne les ressources du Programme alimentaire mondial qui vont en Inde, mais nous nous assurons que les rats n'y touchent pas.

M. Douglas: Je crois que la plupart des Canadiens sont très favorables à ce programme d'aide alimentaire et voudraient qu'il se développe au maximum, mais ce genre de choses que vous voyez dans les journaux nous décourageant quelque peu.

Vous avez mentionné aussi le problème dans certains pays, lorsque l'on parlait de la distribution des produits alimentaires, vous dites que des pays sont plus en mesure de s'en occuper que d'autres. Il m'est venu à l'esprit que ceux qui sont le plus en mesure de s'occuper de l'entreposage et de la distribution ne sont peut-être pas ceux qui ont le plus besoin des produits alimentaires. Est-ce que vous songez à les aider à parfaire leurs connaissances en ce domaine?

M. Robinson: Oui, c'est un processus constant.

Prenons un cas extrême, Lesotho, l'ancien Basutoland, un pays qui ne compte à peu près pas de diplômés universitaires et très peu de diplômés d'écoles secondaires. La situation y était déplorable lorsque notre programme a été sur pied en ce pays. Personne ne savait prendre l'inventaire et tous ignoraient à peu près tout ce qui regarde l'entreposage des aliments. Il nous a fallu menacer d'interrompre notre aide. Le premier ministre du pays a alors confié à un ancien officier du service colonial la responsabilité de toute la nourriture qui entrait dans le pays. Il entraîne présentement des gens du pays qui lui succéderont un jour. Le projet est dirigé par un comptable qui a établi diverses méthodes de contrôle de la marchandise en entreposage, ce qui a permis d'améliorer la situation. Les pertes sont maintenant minimes.

Les détournements effectués pour des raisons politiques n'existent plus parce que leurs auteurs peuvent être identifiés. Un certain membre du cabinet, qui était responsable d'une part importante de ce programme, s'est vu retirer cette responsabilité par le premier ministre. Nos débuts, en certains endroits ont

[Texte]

about as bad places as you can think of, and local people are being trained to take over. If they are not then we have to stop operating, because there is no point in pouring food down a rat hole.

Mr. Aquino: Mr. Chairman, may I just add a little information regarding total losses to the World Food Program, which is also pertinent to this question in which members may be interested. If my memory does not fail me, Mr. Robinson, I think that this year total losses amount to about $1\frac{1}{2}$ per cent of our deliveries, and these include losses in transit.

Mr. Robinson: They include losses in transit. They include what we have to call losses due to shrinkage of grain due to dehydration. They include some highly fictitious losses. For instance, on wheat going from the Port of Karachi to Afghanistan, the weighing system in Karachi is such that we are unable to get a tare weight on individual freight cars. They use the standard tare, and this standard tare weight of course is highly inaccurate because many of the freight wagons are old. They have had enough wear that they are considerably wider than a standard wagon. So the weights that we show are somewhat fictitious weights due to errors in weighing, shall we say, and all those are included in the loss figure which Mr. Aquino mentions.

Mr. Douglas: Thank you. One more question, Mr. Chairman. Mention was made of the FAO projections or forecasts for some 10, 15, or 20 years in the future. I wonder if these figures could be made available to members of this Committee, when they are available?

The Chairman: Yes. And thank you, Mr. Douglas. Gentlemen time is getting on and I know from the spirited discussion that there is considerable interest. It would be of some interest to the members to know the order in which I propose to recognize you. On my list I have Mr. Lind, Mr. Horner, Mr. Muir, Mr. Southam, Mr. Roy, Mr. Whicher, and Mr. Gleave. I recognize Mr. Lind.

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Mr. Lind: Thank you, Mr. Chairman. Coming back to the programs in India and Pakistan, we often hear the statement that more than 20 per cent of their food is wasted through lack of facilities to store and refrigerate this food properly. What happens when food is transported across the country to its destination, and how do we handle it from the time it lands in the country? Is it the

[Interprétation]

été aussi pénibles que vous pouvez les imaginer mais des gens du pays pourront bientôt diriger le tout. S'ils ne peuvent y arriver, nous devons arrêter nos expéditions en cet endroit parce qu'il est ridicule de verser nos produits dans un trou sans fond.

M. Aquino: J'aimerais ajouter quelques détails au sujet des pertes encourues par le Programme alimentaire mondial, ce qui pourrait intéresser les membres du Comité. Si je ne me trompe, les pertes totales pour cette année représentent $1\frac{1}{2}$ p. 100 de nos activités y compris les pertes en transit.

M. Robinson: Ce chiffre tient compte des pertes encourues durant le transport, des pertes dues à la déshydratation et de certaines pertes plutôt fictives. Ainsi, pour le blé qui va de Karachi à l'Afghanistan, le système de pesée, à Karachi, est tel qu'il est impossible d'obtenir avec précision le poids à vide de chaque wagon. Ils utilisent la tare normale ce qui entraîne des inexactitudes parce que plusieurs des wagons sont vieux. Ils sont tellement vieux qu'ils ont été déformés par l'usage et contiennent davantage. De sorte que le poids donné n'est pas exact. Tout ceci est inclus dans le chiffre cité par M. Aquino.

M. Douglas: Vous avez mentionné les prévisions de la F.A.O. pour les 10 ou 20 prochaines années. Est-ce que ces chiffres pourraient être mis à la disposition des députés qui sont membres de ce Comité lorsqu'ils seront disponibles?

Le président: Oui, monsieur Douglas. Messieurs, le temps passe et je sais que vous vous intéressez beaucoup à cette question. Je vais vous donner la liste des orateurs telle que je l'ai établie: messieurs Lind, Horner, Muir, Southam, Roy, Whicher et Gleave.

M. Lind: Merci monsieur le président. Pour en revenir aux programmes d'aide à l'Inde et au Pakistan, on nous dit souvent que 20 p. 100 de leurs produits alimentaires sont gaspillés à cause du manque d'installation pour entreposer ces aliments correctement. Que se passe-t-il lorsque les aliments sont transportés à travers le pays? Comment est-ce que nous procédons dès le moment où les produits sont

[Text]

Government of India that looks after it? How are we sure of the loss through tare, as you call it, in transportation? What assurance have we, as Mr. Whicher asked, that this food is reaching the hungry people, the people who really need it and are starving in the area?

The Chairman: Mr. Robinson?

Mr. Robinson: First of all, as I said, we enter into a fairly tight agreement with the government on how the food is going to be distributed. We have right of access to all books of record. We have assigned to India, three project officers. We have an American, a Belgian, and a young Englishman working as project officers who spend their full time visiting projects, visiting ports, to make sure that the unloading is done properly, that slings are used in place of ropes, that goods that should be on pellets are on pellets in place of being in slings, and so forth. We turn over title to the food at the port, and from that point on, it is the government's responsibility. But we have the right to monitor it every step of the way.

Then every step of the way the transfer of the food has to be documented. In other words, when the food leaves the port, railway weighbills are issued for the quantity of food which leaves. When it arrives at a storage centre for a project, the railroad picks up a receipt for the amount actually received there.

The bi-weekly distributions have to be accounted for. The stocks at the end of a quarter have to be the residual of beginning stocks, plus receipts minus disbursements, minus reported losses if any, if there are losses. If for instance, there is a heavy rain-storm and the roof leaks and we lose half a dozen sacks of flour, that has to be reported. They have to get a local health authority to certify that it is unfit for human consumption. If it is still suitable for animal feed, it is diverted and sold for that purpose. We have a right to follow this every step of the way.

You are quite right in saying that we can never be sure to what the losses are due where uniform freight wagon weights are being used. We cannot be sure what is the cause of the difference between the recorded weight when it leaves Karachi and the actual weight when it arrives at some place where they do weigh individual wagons on scales. We cannot be sure that that difference is due to the fact that they used standard wagon

[Interpretation]

débarqués? Est-ce que c'est le gouvernement de l'Inde qui s'en occupe? Comment sommes-nous sûrs que des pertes en transport ne sont pas plus importantes que ce que vous avez indiqué? Comment savons-nous que ces aliments arrivent aux gens qui meurent de faim?

Le président: Monsieur Robinson?

M. Robinson: En premier lieu, comme je vous l'ai dit, nous avons un accord très serré avec le gouvernement quant à la distribution des produits. Nous avons droit d'accès à tous les livres. Nous avons trois agents de projet en Inde, un Américain, un Belge, un jeune Anglais qui passent tout leur temps à visiter des projets, à visiter les ports, pour s'assurer que le déchargement se fait correctement, que l'on utilise des courroies plutôt que des cordes, etc. Nous transférons la propriété sur les produits dès leur arrivée au port, après quoi, la responsabilité en revient au gouvernement. Mais nous avons droit de regard jusqu'à ce qu'ils atteignent leur destination.

Tout le long du parcours, les produits sont surveillés. Lorsqu'ils quittent le port, des formules de connaissance indiquent l'importance de la cargaison. A l'entrepôt, la compagnie de chemin de fer qui a effectué la livraison obtient un reçu pour ce qu'elle a livré.

Toutes les distributions bi-hebdomadaires doivent être enregistrées. A la fin du trimestre, les stocks en main doivent égalier les stocks originaux, plus ce qui a été reçu, moins ce qui a été livré, et moins les pertes, s'il y en a eu. Par exemple, s'il pleut abondamment, que la toiture d'un entrepôt coule et que nous perdons une demi-douzaine de sacs de farine, il faut enregistrer cette perte. Un officier des services locaux de santé examine la farine et doit certifier qu'elle est impropre à la consommation humaine. Si elle peut être utile pour nourrir les animaux, elle est utilisée à cette fin. Nous avons droit de regard sur toute cette procédure.

Vous avez raison d'affirmer qu'il est impossible de déterminer les causes de ces pertes là où on indique que tous les wagons ont un poids uniforme. Nous ignorons les raisons qui existent entre le poids enregistré, au départ, à Karachi, et le poids enregistré à destination, lorsqu'à ce dernier endroit tous les wagons sont pesés individuellement. Nous ne pouvons être sûrs que la différence vient de ce qu'un poids identique a été indiqué pour

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weights because we do know the people crawl under freight wagons at sidings when the train is standing still and bore holes in the bottom of cars, and tap sacks and so forth. We know that there are losses; we do not know how much. We do not know how much is errors in weighing and how much is actual losses. But this very small percentage figure of losses which our reports from the projects indicate includes both types of things.

Mr. Lind: Much of the food that we have sent to India in the past has been wheat products and probably skim milk. But about two years ago, and you touched upon this Mr. Robinson, we had a surplus of beans in the area that I come from in Southwestern Ontario. How do we educate the Indian people or the people wherever we are sending these surpluses, how to acquire the habit of eating beans rather than wheat products or some other product?

Mr. Aquino: Mr. Chairman, beans happen to be one of the food products that have the widest distribution in the world, and in many of the underdeveloped countries beans actually represent one of the main sources of protein. So it is not so difficult to teach them how to use beans. They may not be entirely familiar with the special variety, because beans have a very wide geographic distribution and also a great tendency to mutate into many varieties. But essentially they are the same product. So we do not find it very difficult to use Canadian produce in our projects.

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Mr. Lind: One other short question, Mr. Chairman. Do you use any agencies or religious organizations to distribute this food other than the governments of the countries?

Mr. Robinson: The agreements all have to be with governments. But in school distribution, in Basuto, for instance, which I mentioned a while ago, where we have school feeding projects, the schools are in the following categories: there are state schools; there are Roman Catholic schools; there are Church of England schools; and there are schools run by a French protestant group.

These groups are agents of the government and the reports of the individual schools go to the WFP food co-ordinator in Maseru. So a government is free to utilize not only religious groups, but other groups such as CARE, or in the case of the Nigerian emergency ICRC, as agents. But we cannot respond to

[Interprétation]

chaque wagon parce que nous savons que certains gens percent des trous sous les wagons pour en retirer une partie du contenu. Nous savons qu'il y a des pertes, mais nous en ignorons l'importance exacte. Nous ignorons quelle est la proportion pour les erreurs de pesée et pour les pertes réelles, mais les chiffres cités incluent ces deux aspects.

M. Lind: La plupart des denrées expédiées en Inde, par le passé, étaient du blé et du lait écrémé. Il y a environ deux ans, il y a eu un surplus de fèves dans la région d'où je viens, le sud-ouest ontarien. Comment pouvons-nous montrer à la population de l'Inde, ou celle de tout autre pays, où nous expédions ces produits, à acquérir l'habitude de manger des fèves au lieu des autres produits?

M. Aquino: Les fèves sont l'un des produits alimentaires qui ont la plus large distribution au monde. Dans plusieurs pays en voie de développement, les fèves représentent la source principale de protéines. Il n'est donc vraiment pas très difficile de leur enseigner comment les utiliser. Ils ne connaissent peut-être pas les variétés particulières qui existent au Canada, parce qu'il en existe diverses variétés de par le monde. Il s'agit essentiellement du même produit, de sorte que nous ne trouvons pas très difficile d'utiliser les produits canadiens.

M. Lind: Est-ce que vous utilisez des agences ou des organismes religieux pour distribuer cette nourriture, ou traitez-vous uniquement avec le gouvernement des pays concernés?

M. Robinson: Toutes les ententes sont conclues avec les gouvernements. Mais lorsqu'il s'agit de distribuer la nourriture dans les écoles du Basutoland, par exemple, que j'ai mentionnées tout à l'heure, nous avons des programmes d'alimentation à l'école. Il y a quatre types d'écoles: des écoles d'État, des écoles catholiques, des écoles protestantes anglicanes, et des écoles gérées par un groupe protestant français.

Ces groupes sont des agents du gouvernement et les rapports des écoles parviennent au coordinateur du PAM à Maseru. Donc le gouvernement peut utiliser les groupes religieux ou les autres, tels que CARE, ou dans le cas de la Nigeria le CICR, comme agents. Mais nous ne pouvons pas répondre à une

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requests from a church group. The requests have to come from the government.

Mr. Lind: Thank you, Mr. Chairman.

Mr. Horner: Mr. Aquino and Mr. Robinson, to go back to the Nigerian problem and the cornmeal which is not being shipped because of the longshoremen's strike on the United States East coast. Have you made any attempts to substitute that cornmeal? Have you asked any of the donor countries, that could supply a similar product? For example, Canada markets a lot of corn, perhaps not as good a quality as American corn. Perhaps some of the Ontario members would say better corn. Have you made any effort to get the product from another donor country?

Mr. Robinson: The United States is so far the only donor country that has indicated any readiness to supply corn. Canada has never told us that it can supply corn. I would be very happy if this were the case, and I assure you that we will call on Canada for corn if it can be supplied. But it has never been included in the list of products which Canada said it can supply.

Mr. Horner: I think that right now when you have a particular problem, the whole world, and particularly Canadians, are concerned about the starvation problem in Nigeria and Biafra, and here you have the product that is desirable and it cannot be supplied. Have you made any effort to see whether or not another product—and I suppose I could use ground wheat as an example; we have lots of dried wheat in Western Canada and I want you to be aware of that—have you made any attempt to see whether any other suitable product could be supplied?

Mr. Robinson: Mr. Chairman, we have taken our lead from the ICRC which is getting food from a wide variety of sources. They need food not only in January and February and March but they are going to need food in April, May and June, and so forth. We have kept in touch with them, telling how we thought the longshoremen's strike was going, and they have not indicated that their need was urgent enough for us to cancel this order to the United States, and try to supply something else from somewhere else. This is not an area where wheat would be acceptable, we are told by the Red Cross, and they did not need it desperately. This is not going into the Biafran-controlled areas. This is going to the federally-controlled areas and they do have access to grain supplies in other

[Interpretation]

demande qui serait formulée par un groupe religieux. Les demandes doivent émaner du gouvernement.

M. Lind: Merci monsieur le Président.

M. Horner: M. Aquino et M. Robinson, pour revenir au problème de la Nigéria et de la farine de maïs qui n'a pas été envoyée à cause de la grève des dockers de la côte est des États-Unis. Est-ce que vous avez essayé de remplacer cette farine de maïs? Avez-vous demandé à d'autres pays s'ils pouvaient fournir des produits similaires? Le Canada, par exemple, a pas mal de maïs, peut-être pas aussi bon que le maïs américain. Peut-être meilleur diront les membres de l'Ontario. Avez-vous essayé d'obtenir les produits d'un autre pays donneur?

M. Robinson: Les États-Unis, jusqu'à présent, était le seul pays qui était prêt à fournir du maïs. Le Canada ne nous a jamais fait savoir qu'il pouvait fournir du maïs. Je serais très heureux si tel était le cas, et certainement nous demanderions alors au Canada de nous en fournir. Mais le Canada n'a jamais indiqué le maïs sur la liste des produits qu'il pouvait donner.

M. Horner: Vous avez-là un problème particulier, le monde entier, et les Canadiens en particulier, se préoccupent du problème de la famine au Biafra et au Nigéria. Voilà le produit souhaitable, et on ne peut pas l'envoyer. Avez-vous essayé de voir si un autre produit, par exemple de la farine de blé, pouvait être substitué à la farine, de maïs? Nous avons beaucoup de blé sec, dans l'Ouest du Canada. Est-ce qu'il n'y a pas un autre produit qui pourrait remplacer la farine de maïs?

M. Robinson: Nous prenions nos directives du Comité international de la Croix-Rouge qui reçoit des aliments de différents pays. Ils ont besoin de produits alimentaires constamment. Nous sommes restés en contact avec eux à propos de cette question de la grève des dockers au États-Unis, mais ils ne nous ont pas dit que leurs besoins étaient assez urgents pour devoir annuler cette commande aux États-Unis et essayer de trouver autre chose ailleurs. D'après la Croix Rouge, ce n'est pas une zone où l'on peut fournir de la farine de blé et d'autre part, les besoins n'étaient pas extrêmement urgents. Ils n'allaient pas à la partie contrôlée par le Biafra. Ils allaient à la partie fédérale et eux ont accès à d'autres sources de grains. C'est pourquoi nous n'avons envisagé aucun remplacement.

[Texte]

parts of Nigeria. So we have not tried to replace this.

Mr. Horner: I have a question on another line. You suggested that most of the recipients were between Morocco and, I think you used the term, the near-East area, all the way down to Turkey. Would the refugees living on the Gaza strip, although they do not constitute a country or a state, be receiving help from the WFP?

Mr. Robinson: This matter came before the IGC three years ago, I believe. Mr. Shefrin can check me on the exact date. We had a request from UNWRA for food to supplement its budget. As you know, UNWRA depends upon voluntary contributions from governments. Our regulations say that we can respond only to requests from governments. For obvious political reasons none of the host governments, that is the UAR or Jordan or Syria or Lebanon, was willing to make a request for food. Our members took the position, which I think, personally, was a valid one, that we would be going sort of through the back door if they had decided what they wished to give to UNWRA directly. If we took their contributions to us, and turned them over to supplement their contributions to others, this would be in effect violating the directives we had from our donors. Therefore we did not do it.

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After the May war we supplied for eight months large quantities of food to the UAR, to Jordan, and to Syria. After eight months we stopped because the Director-General of FAO, who controls emergency food allocations, said, "An emergency of this sort just cannot go on forever". As you may recall, he and the Secretary-General of the UN made a special appeal for food for refugees from the Palestinian war. So we are not supplying relief food to any of these countries now for refugees.

Mr. Horner: I find it rather inhumane to say, "We will feed you for eight months and from there on we cannot carry it on forever". Surely these people are as worthy of food as anybody else in that near-East area.

Mr. Robinson: Perhaps I should say that a good many of the refugees are receiving food through projects. For instance, in Jordan the work projects are employing a great many people who had lived on the West Bank and

[Interprétation]

M. Horner: Vous avez dit que le plus grand nombre de récipiendaires se situent entre la Maroc et ce que vous avez appelé je crois la Proche-Orient, jusqu'à la Turquie. Est-ce que les gens qui vivent dans la bande de Gaza mais qui ne représentent pas un pays ou un état, est-ce que ces gens, ces réfugiés, reçoivent de l'aide du Programme alimentaire mondial?

M. Robinson: Cette question a été posée à la CIG il y a trois ans je crois, M. Shefrin pourrait me dire la date exacte. L'Office de secours et de travaux de l'ONU nous a demandé des aliments pour l'aider. Comme vous le savez cet organisme dépend des contributions volontaires des gouvernements. Nos statuts nous disent que nous ne devons répondre qu'aux demandes provenant des gouvernements. Et pour des raisons évidentes, aucun des pays arabes qui accueillaient ces réfugiés la Jordanie, le Liban, etc. n'a voulu prendre l'initiative de faire une demande. Nos membres ont donc décidé, et personnellement je les approuve, qu'il n'était pas possible de donner directement à l'Office de secours de l'ONU. Nous aurions en le faisant violé les directives de nos contributeurs.

Mais après la guerre du mois de mai, nous avons, pendant huit mois, envoyé des quantités importantes de nourriture à la République arabe unie, à la Jordanie et à la Syrie. Nous arrêterent après huit mois parce que le Directeur général de l'OAA nous a dit: «Une situation d'urgence ne peut pas durer si longtemps.» Comme vous vous en rappelez peut-être, le secrétaire général des Nations Unies et lui ont fait une demande particulière pour que l'on puisse envoyer des aliments aux réfugiés de guerre palestiniens. Donc actuellement nous ne fournissons aucune aide à ces pays et aux réfugiés.

M. Horner: Je trouve que c'est peu humain de dire: «On va vous nourrir pendant huit mois,» et ensuite dire, «on ne peut plus continuer». Ces gens méritent d'être aidés autant que n'importe qui au Proche-Orient.

M. Robinson: Je devrai ajouter qu'un grand nombre des réfugiés reçoivent de l'aide d'autres organismes. En Jordanie par exemple, les projets de travaux emploient un bon nombre de réfugiés de la rive Est du Jourdain. Je ne

[Text]

who went to the East Bank after the war. I am not saying that none of them are receiving WFP food. But the position is that the Director-General has at his disposal only \$10 million worth of food and cash and services a year for emergencies, and he feels that if he were to tie it up in long-time feeding operations—no one knows when this near-East emergency is going to end—this would preempt all the food that he has available to him and he would not be able to respond to requests from other countries where there are sharp catastrophes which require feeding for three or four months. This was a decision which was placed before the IGC and which, I believe, the IGC concurred in.

Mr. Horner: I have one further question to clear up in my own mind. Mr. Aquino, in your talk you suggested, I think, that the WFP has grown to about \$185 million worth. Would this be in each year?

Mr. Aquino: No, sir. This is the total disbursement of the program since inception.

Mr. Horner: Yes, I was not sure of that. Could you give the Committee some idea of what your yearly turnover in dollars would be?

Mr. Aquino: If my memory does not fail me, we would be disbursing this year about \$90 million worth of products and services, and for the year 1970 about \$150 million. Our rate of disbursement is increasing very rapidly.

Mr. Horner: Could one draw any conclusion that there is more and more starvation in the world, or is it just that you are getting the food out to more and more people?

Mr. Aquino: What is happening is that we now have a large number of projects that are operational and that are really being supplied with food. That was not the situation in the beginning. As you can well see, the development of the capability to handle food and to develop these projects takes a little time, and we take about 12 months from the actual request until the project is approved and food is delivered, and from then on the project builds up little by little. In some cases now we are finding that projects, where experience has been gained in the country, are demanding our products much faster than originally.

Mr. Horner: I have just one more question. To go back to the Gaza strip area, supposing the United Nations requested food from your program for this area, could you then...?

[Interpretation]

dis pas que personne ne reçoit l'aide, du PAM. Mais la situation est celle-ci: le directeur général a à sa disposition seulement 10 millions de dollars en nourriture, en espèces et en services pour les situations urgentes d'une année. Et si l'on devait avec cela maintenir des opérations à long terme, car personne ne sait quand est-ce que la crise du Moyen Orient va se terminer, nous épuiserions les ressources qui sont à notre disposition et nous ne pourrions pas faire face aux besoins d'autres pays lorsque se produisent des catastrophes très graves nécessitant une aide temporaire. C'est la situation devant laquelle nous nous sommes trouvés lors de la demande de la CIG.

Mr. Horner: J'ai une autre question; Monsieur Aquino, vous avez laissé entendre que le PAM était maintenant de 185 millions. Est-ce par an?

Mr. Aquino: Non. Ceci représente les dépenses totales depuis le début du Programme.

Mr. Horner: Oui, je n'étais pas sûr. Pourriez-vous donner à ce Comité une idée de votre budget annuel?

Mr. Aquino: Si je ne me trompe, nous débourserez cette année quelque 90 millions de dollars de produits et services, et pour 1970, quelque 150 millions. Notre taux de déboursement s'accroît extrêmement vite.

Mr. Horner: Est-ce qu'on doit en tirer la conclusion qu'il y a de plus en plus de gens qui meurent de faim ou est-ce que votre programme devient plus efficace?

Mr. Aquino: Non, c'est qu'il y a maintenant un grand nombre de projets qui sont opérationnels et qui reçoivent de l'aide alimentaire. Ce n'était pas le cas au début. Comme vous le voyez, le développement des possibilités de distribution de nourriture et la mise en œuvre des projets, prend un certain temps. Il faut en général douze mois à partir du moment où la demande est faite jusqu'au moment où le programme est opérationnel. Dans certains cas, quand on a déjà travaillé dans le pays, le stade opérationnel est atteint beaucoup plus rapidement.

Mr. Horner: Pour en revenir à la bande de Gaza, est-ce que par l'intermédiaire des Nations Unies, si cette organisation demandait des produits alimentaires pour cette ré-

[Texte]

You could not. I see Mr. Robinson shaking his head.

Mr. Robinson: We are bound by regulations to accept requests only from member governments. There is nothing to stop the countries from asking, but of course the Gaza strip is now under Israeli control, so there you have an added problem. Probably these people are getting supplies from the occupying forces of Israel, we hope.

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Mr. Horner: I realize that there are several agencies, and UNWRA and the rest are helping. But forgive me for my concern for 2 million refugees. When you are talking about a world food program, I want to see how broad an application the program has, and whether or not it actually gets to those areas which are considered a blight on the civilized world of today.

Mr. Aquino: You are entirely right, sir. I took over the program, as you know, only in August of last year, but my concern with the Biafran situation was very great and I was getting desperate and thinking that it was impossible just because of regulations not to go to the needy people.

I was really prepared in November of last year to go to IGC with a request to change the regulations and to make me able to go with the authority of the Director General of FAO and the Secretary General of the United Nations and with all the consultations that they may wish to impose on these cases to be able to use the services of internationally recognized agencies that may be operating in an area where a calamity of this sort has occurred.

The Swiss came to the rescue and arranged things in such a way that actually we could receive requests from Nigeria to supply food to both sides and this was the end of the case, but in future there may be reasons for reconsidering the regulations and making it possible for the World Food Program to act through recognized agents in cases such as these.

Mr. Horner: You have thought of this same problem I have suggested and you think, then, that regulations could be too rigid in the distribution of food under this programme—that they “could” be. I am not saying they are or they have been, but they could in the years ahead be too rigid in the distribution of food through your program.

[Interprétation]

gion, est-ce que vous pourriez en donner? Je vois que M. Robinson fait signe que non.

M. Robinson: Nous sommes tenus par les règlements à n'accepter que les demandes émanant de gouvernements membres. Rien n'empêche les pays de demander. Mais la bande de Gaza, bien sûr, est sous le contrôle d'Israël maintenant. Vous avez là un autre problème, nous espérons que ces gens reçoivent des produits des forces d'occupation israéliennes.

M. Horner: Je comprends qu'il y ait de nombreux organismes d'aide, et vous m'excuserez si je me préoccupe tant de 2 millions de réfugiés, mais quand vous parlez d'un programme mondial, je me demande jusqu'à quel point votre programme est vraiment universel et s'il arrive à pénétrer ces endroits qui sont la honte d'un monde civilisé.

M. Aquino: Vous avez raison, monsieur. Comme vous le savez, j'ai été nommé directeur du programme seulement au mois d'août, l'an dernier, mais j'étais très préoccupé par la situation du Biafra, et, je me désespérais de penser que de simples règlements faisaient qu'il était impossible de parvenir aux personnes démunies.

J'étais tout de même prêt, en novembre de l'an dernier, à demander un changement des règlements pour me permettre de partir, avec l'autorisation du Directeur général de la FAO, et du Secrétaire général de l'ONU, et après toutes les consultations qu'ils pourraient vouloir exiger pour ces cas, afin de pouvoir utiliser les services d'organismes internationaux reconnus qui pourraient œuvrer dans une région où une calamité de cette nature se produit.

Les Suisses sont venus à la rescousse et arrangèrent les choses de façon à nous permettre de recevoir effectivement des demandes de la part du Nigéria de fournir des aliments aux deux côtés. C'est donc de cette façon que l'affaire s'est close, mais il se peut qu'il y ait à l'avenir des raisons de réviser les règlements afin que le Programme alimentaire mondial puisse agir par l'intermédiaire d'organismes reconnus, dans des cas semblables à celui-ci.

M. Horner: Vous avez songé au même problème que j'ai soulevé, et vous pensez donc que les règlements pourraient peut-être être trop rigides pour ce qui est de la distribution des aliments, en vertu du programme. J'ai dit qu'ils «pourraient» l'être. Je ne dis pas qu'ils le sont ou qu'ils l'ont été, mais il pourraient, dans les années à venir, être trop rigides pour

[Text]

Dr. Aquino: In this sense, yes, that we could not approach a situation like you have described for refugees, for instance. These are mostly man-made calamities and if one or two international agencies could be recognized as possible agents I think that a system may be devised which, under all kinds of conditions, we could use in certain instances to get to the needy people.

Mr. Horner: We have just established a regional director for Canada who has no regulations placed in his way at all in bringing up those under-developed regions in our country to what we would call national standards. There are no regulations tying his hands and why should we tie your hands because you are distributing food? He is just going to develop regions.

The Chairman: Thank you, Mr. Horner. I recognize Mr. Muir.

Mr. Muir (Lisgar): I just want to pursue this promotional idea that I was speaking about with Mr. Williams, and I am very pleased to see that the Minister is here because I want him to take this into consideration, too. In 1970 we are going to be spending several million dollars promoting Canada in Osaka, Japan and I would hope and believe that the Department of Agriculture will have quite a good display.

I wonder if it would not be a good idea to promote some of the foodstuffs that we are shipping across the Pacific. I am thinking about our cereal grains; I can even think about the cream from Quebec or the apples from, I was going to say Ontario, but I believe the British Columbia apples are better; then there are the cherries and so on. I am thinking of having cooks there who will bake pies and bread and promote the cereal grains we use for these products. It will make a wonderful display in the agricultural area of the Exposition.

[Interpretation]

la distribution des aliments par le moyen de votre programme.

M. Aquino: Oui, dans ce sens, oui. Nous ne serions pas en mesure de faire face à une situation comme celle que vous avez décrite, pour ce qui est des réfugiés par exemple. Ce sont surtout des calamités fabriquées par l'homme et si un ou deux organismes internationaux pouvaient être reconnus à titre d'agents éventuels, je crois que l'on pourrait concevoir un système que nous pourrions utiliser dans toutes sortes de conditions, et, dans certains cas, pour rejoindre les personnes dans l'indigence.

M. Horner: Nous venons tout juste de nommer un directeur régional pour le Canada qui n'a pas de règlements pour le gêner en aucune façon dans la valorisation des régions sous-développées de notre pays à des normes que nous pourrions appeler nationales. Aucun règlement ne lui lie les mains et pourquoi lierait-on les mains de quelqu'un qui distribue des aliments? Il n'est chargé que de développer des régions.

Le président: Merci monsieur Horner. Je passe la parole à M. Muir (Lisgar).

M. Muir (Lisgar): Je voudrais continuer à parler un peu de cette idée de promotion que j'avais discutée au préalable, avec M. Williams. Je suis très heureux de voir que le ministre est ici, car je veux qu'il prenne cela en considération lui aussi.

En 1970, nous aurons à dépenser plusieurs millions de dollars pour la promotion du Canada au Japon, à Osaka. J'espère et j'ose croire que le ministère de l'Agriculture y fera très bonne figure.

Je me demande, alors, si cela ne serait pas une bonne chose d'essayer de promouvoir quelques-uns des aliments que nous expédions l'autre côté du Pacifique. Je songe, par exemple, aux céréales, aux grains et même je mentionnerais la crème du Québec, les pommes, j'allais dire de l'Ontario—mais je crois que les pommes qui viennent de la Colombie-Britannique sont meilleures—ensuite les cerises et ainsi de suite. Je songe aussi à avoir des chefs cuisiniers qui pourraient faire du pain, des tartes et ainsi promouvoir les céréales et les grains que nous employons pour ces denrées. Ce serait une excellente présentation dans le secteur agricole de l'exposition.

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The Chairman: Thank you, Mr. Muir.

Mr. Olson: I could make a comment on this, but I am sure that Mr. Muir would agree

Le président: Merci, monsieur Muir.

M. Olson: Je pourrais faire une remarque à ce sujet, mais je suis sûr que M. Muir (Lis-

[Texte]

with me that this is a very much different area from the kind of programs that are envisaged and, in fact, undertaken under the World Food Program. What you are talking about, I think, is a commercial promotion, but I would not like to take up the time now of discussing that. I think it is quite a long way from the subject matter that we are discussing with Dr. Aquino and Mr. Robinson.

Mr. Muir (Lisgar): No, but this came up in the discussion of the promotion of various foods and the changing diets of people in other countries, and if we are going to assist other people we have to change their diets if we are going to give them food that they are not used to eating.

The Chairman: Mr. Muir, would you agree that we could discuss this under Item 1?

Mr. Muir (Lisgar): Very well.

The Chairman: Then we will not be usurping Dr. Aquino's time because we want to avail ourselves of every minute of it while he is here. Have you completed your question?

Mr. Muir (Lisgar): I am quite agreeable to this. I hope the Minister keeps this in mind because I would like to question him again.

The Chairman: Thank you. I recognize Mr. Roy.

Mr. Roy (Laval): Thank you, Mr. Chairman. I am going to be very brief and will make one observation and, after that, just one short question. I am very happy to realize that the Canadian government has increased their share in 1966 from \$1.8 million to close to \$10 million in 1967. I am very happy to see that and I think that all the members of the Standing Committee on Agriculture are also happy about the Canadian government's share.

An hon. Member: It is a great government.

Mr. Roy (Laval): It is a good government. Could we check the number of projects you mentioned at the beginning? You have 45 in agriculture and 26 projects in the education. Is it the technical program to produce, let us say, agricultural products or is it some other education that you have in your program? You mentioned 26 projects for education.

[Interprétation]

gar) conviendra avec moi que c'est dans un tout autre secteur que les programmes du genre de ceux que nous envisageons et, en fait, qui sont entrepris grâce au programme alimentaire mondial. Ce dont vous parlez, c'est la promotion commerciale alors que je n'aimerais pas prendre le temps à l'heure actuelle pour discuter de cet aspect et qui est plutôt éloigné du sujet que nous discutons ce matin, avec M. Aquino et M. Robinson.

Mr. Muir (Lisgar): Non mais cela a été mentionné au cours de la discussion sur la promotion des divers aliments, là où les régimes alimentaires des gens changent, dans les pays en voie de développement. Si nous voulons aider ces gens, il faut changer leur régime alimentaire si nous devons leur donner des aliments auxquels ils ne sont pas habitués.

Le président: Monsieur Muir, seriez-vous d'accord que nous discutons de cela en vertu de l'article 1?

M. Muir (Lisgar): Très bien.

Le président: De cette façon nous ne ferons pas perdre le temps du D^r Aquino dont nous voulons profiter de chaque minute pendant qu'il est ici. Avez-vous terminé votre question?

Mr. Muir (Lisgar): Je veux bien, mais j'espère que le ministre s'en souviendra. Je lui en reparlerai plus tard.

Le président: La parole est à M. Roy (Laval).

Mr. Roy (Laval): Merci, monsieur le président, je serai bref. Une seule observation et ensuite une brève question.

Je suis très heureux de voir et de constater que le gouvernement du Canada a porté son apport à 1.8 million en 1966 à tout près de 10 millions en 1967. Je suis très heureux de ce fait et je suis sûr que les membres du Comité permanent de l'agriculture sont aussi très heureux de cet apport du Canada.

Une voix: Bon gouvernement, oui.

M. Roy (Laval): Bon gouvernement, oui. Mais, je me demandais si nous pourrions vérifier le nombre des projets que vous avez mentionnés au début? Vous en avez 45 en agriculture et 26 dans le domaine de l'éducation. Est-ce qu'il s'agit du programme technique dans le but de produire, par exemple, des produits agricoles ou s'agit-il d'une autre forme d'éducation inscrite à votre programme?

[Text]

The Chairman: Mr. Robinson, I believe you are prepared to answer this?

Mr. Robinson: As I recall, we have one farmers' training project in Turkey where the government brings farmers into camps for a few weeks, teaches them techniques that they have not been using and lets them go home to spread the techniques. There are a few technical schools for training people in the maintenance and repair of farm machinery and so forth. We also have several young farmers' projects in African countries where they take boys in their teens, just out of secondary school, and put them on training farms for a year and then send them out to new settlements.

So, a minority of the educational projects are directed at increasing agricultural production. The bulk of them, however, are straightforward elementary school feeding projects, high school feeding projects, university or teachers' college feeding projects, plus a few projects for the feeding of pregnant women, nursing mothers and pre-school children. We think, however, that in countries where they are making a terrific effort to increase literacy that anything that results in more people having completed elementary school, for instance, will have an indirect effect on agriculture because it will make extension work much simpler if people can read.

Mr. Roy (Laval): Is it possible, Mr. Chairman, that we are not involved in each project—for example, the project you mentioned at the beginning?

Mr. Robinson: Mr. Chairman, I have that here in so far as the Canadian food is concerned: I have such a table in front of me. If it is of interest to members we could easily have it distributed. It is by countries and by projects.

Mr. Horner: Make it an appendix to today's proceedings.

Mr. Robinson: This only involves Canadian agricultural commodities and services, not the wider range of which Dr. Aquino was speaking.

Mr. Olson: Before you agree, though, that it should be an appendix, I remind you that it is a pretty long list and it will take up several

[Interpretation]

Le président: Monsieur Robinson, je crois que vous êtes en mesure de répondre à cette question. Vous avez mentionné 26 projets d'éducation.

M. Robinson: Si je me souviens bien, nous avons un programme de formation agricole en Turquie, là où le gouvernement amène les fermiers dans des camps pendant quelques semaines et leur enseigne des techniques qu'ils n'avaient jamais employées. Les fermiers retournent chez eux pour diffuser ces nouvelles techniques. Il y a quelques écoles techniques aussi où l'on forme les gens pour l'entretien et la réparation des machines agricoles. Nous avons aussi plusieurs projets destinés aux jeunes agriculteurs de pays d'Afrique, où nous prenons des jeunes adolescents au moment où ils quittent l'école secondaire et les plaçons dans des fermes-écoles pendant un an pour ensuite les envoyer sur de nouvelles terres.

Et par conséquent, nous avons un certain nombre de projets minoritaires qui ont pour but d'augmenter la production agricole. Mais la plupart sont cependant des écoles élémentaires où les élèves sont nourris, des écoles secondaires, des universités ou des écoles normales où les étudiants sont nourris, ajoutant à cela quelques projets pour l'alimentation des femmes enceintes, des femmes qui allaitent et des enfants d'âge pré-scolaire. Dans les pays où on fait un effort pour éliminer l'analphabétisme, nous croyons que toute initiative qui a pour résultat d'augmenter le nombre des personnes ayant terminé l'école élémentaire, par exemple, aura un effet indirect sur l'agriculture parce qu'il rendra le perfectionnement beaucoup plus simple si les gens savent lire.

M. Roy (Laval): Serait-il possible, monsieur le président, que nous ne soyons pas engagé dans chacun des projets, par exemple, le projet que vous avez mentionné au début?

M. Robinson: Monsieur le président, j'ai cela ici, en ce qui concerne les aliments canadiens; j'ai ce tableau sous les yeux. Si les membres s'y intéressent, nous pourrions peut-être le distribuer. C'est classé par pays et par projets.

M. Horner: Mettez-le en appendice aux délibérations d'aujourd'hui.

M. Robinson: Mais cela n'a trait qu'aux aménagements et aux services agricoles du Canada, non pas à l'échelle plus vaste dont parlait le docteur Aquino.

M. Olson: Avant que vous ne consentiez à le mettre en appendice, je vous rappelle toutefois qu'il s'agit d'une liste assez longue qui

[Texte]

pages. We will distribute it to the Committee. It would be a little cheaper, that is all, but whatever you like.

The Chairman: Gentlemen, is it the wish of the Committee that this information be distributed to members of the Committee?

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An hon. Member: Yes, agreed.

The Chairman: Agreed.

Mr. Roy (Laval): I have only one more question, Mr. Chairman. How do the freight costs compare to the real value of goods in this program?

Mr. Robinson: Over-all the freight is costing something under 20 per cent of the value of the commodities. Now this depends a lot on the product, on the method of shipment and on the length of the trip.

Let us suppose we are shipping wheat into Nepal, our freight cost will run pretty close to the f.o.b. value of the wheat. If we are sending cornmeal into Lesotho it may be more than the cost of the corn or the cornmeal at a gulf port. If, however, we are sending Canadian cheese the percentage may be as low as seven per cent. We will say we are sending cheese only to Jamaica. Also, if we are able to send wheat or any other product on a chartered vessel in place of sending it on liner terms we can save a lot of money. For instance, we are just lifting a cargo of 10,000 tons of wheat from Sweden to Turkey, and we were able to get a rate of less than \$8 a ton, whereas if we were sending it on liner terms it would be costing us somewhere around \$20 a ton from Swedish ports to Istanbul.

So it varies from product to product, it varies with the length of voyage but, over-all, it is running in the vicinity of 20 per cent of the food cost at the export port of the donor country.

Mr. Aquino: May I make just one more comment, Mr. Chairman, on this. There are some cases of landlocked countries where neighbouring countries which are also underdeveloped are giving, as part of their pledge transportation services. This is particularly true in the case of India and Nepal. The Indians have been helping us to get the products from Calcutta into Nepal. Now, this of course very much relieves the need for dollar expenditure and foreign exchange expenditure in transportation. It is an added

[Interprétation]

prendra plusieurs pages. Nous allons vous en distribuer des copies, ce qui coûterait un peu moins cher, mais à vous de décider.

Le président: Est-ce que les membres du Comité veulent que ces renseignements soient donnés aux membres du Comité?

Une voix: D'accord.

Le président: Adopté.

M. Roy (Laval): Une dernière question, monsieur le président. Comment le coût du fret se compare-t-il avec la valeur véritable des denrées dans ce programme?

M. Robinson: Globalement, le fret coûte légèrement moins de 20 pour 100 de la valeur de la marchandise. Cela dépend beaucoup de la méthode d'expédition et de la distance en cause.

Par exemple, si nous expédions du blé au Népal, le coût du fait sera très proche de la valeur du blé franco à bord. Si nous envoyons de la farine du maïs au Lesotho, cela peut coûter plus que le maïs ou la farine de maïs à un port de golfe. Si, toutefois, nous envoyons du fromage canadien, nous pourrions en arriver à un pourcentage aussi bas que 7 p. 100. Il faut dire que nous n'envoyons du fromage qu'à la Jamaïque. De plus, si nous pouvons expédier du blé ou tout autre produit par navire nolisé plutôt que par paquebot, nous pouvons économiser beaucoup d'argent. Par exemple, nous avons une cargaison de blé à livrer de Suède en Turquie, et nous avons pu obtenir un taux de moins de \$8 par tonne, tandis que si nous devions l'expédier par navire ordinaire, cela nous coûterait environ \$20 par tonne entre les ports suédois et Istanbul.

Cela varie donc selon les produits et selon la distance à couvrir, mais, l'un dans l'autre, le coût de l'expédition correspond à environ 20 p. 100 du coût des denrées au port d'exportation du pays donateur.

M. Aquino: Permettez-moi encore une observation à ce sujet, monsieur le président. Il y a aussi des pays sans ouverture sur la mer, et où les pays voisins, qui sont aussi en voie de développement, favorisent des services de transport comme partie de leur engagement. Cela s'applique tout particulièrement au cas de l'Inde et du Népal. L'Inde nous aide à transporter les produits de Calcutta jusqu'au Népal. Bien sûr, cela réduit beaucoup le besoin de dépenses en dollars et en devises étrangères aux fins du transport, Cela aug-

[Text]

form of collaboration by the developing countries themselves and a way of using the contribution of India.

Mr. Roy (Laval): I have one more question. I notice here the figure of 66 per cent on wheat and 20 per cent on dairy products. As you know, Canada can produce more and more milk. Is it your intention to require more milk by-products?

Mr. Robinson: I think all we can say is that we are very much in the hands of the Canadian government. We accept what they give us. We put on a little pressure if we need more of one thing and less of another, but we are really in the hands of our donors.

Mr. Frank Shefrin (Director, Marketing and Trade Services, Economics Branch, Department of Agriculture): May I intervene, just to make sure that we are not completely wrong on this. In some instances, other countries put on tremendous pressure and sometimes we are asked to be a little tolerant. But we have been putting on continuous pressure and have had co-operation in this connection. I am sorry to intervene, but I just wanted to make sure there is a balance on that. Thank you.

The Chairman: The comment by Mr. Shefrin is well received. Thank you, Mr. Shefrin.

I apologize to Mr. Southam because I overlooked his name in his proper turn. I recognize you now.

Mr. Southam: Thank you, Mr. Chairman. According to the schedule allotted to us, we are running short of time. You will be happy to know that three out of the four questions I had listed have already been answered.

I would like to associate myself with the remarks made by Mr. Pringle and yourself earlier, Mr. Chairman. As a Committee member I have been very pleased to see Dr. Aquino, Mr. Robinson and his associates here this morning. We have had a very comprehensive and enlightening discussion on this World Food plan.

I think Dr. Aquino touched on one of my questions earlier in his remarks. At the present time we have enough "have" nations that are ready and able to supply for the "have-nots" but do you visualize in the not too distant future reaching a point where the food demand from the "have-nots" will be greater than you can supply? Has this problem arisen and, if so, what steps are you taking to over-

[Interpretation]

mente la collaboration des pays en voie de développement et permet d'utiliser la contribution de l'Inde.

M. Roy (Laval): J'ai encore une question. Je vois ici des chiffres de 66 p. 100 pour le blé et de 20 p. 100 pour les produits laitiers. Comme vous le savez, le Canada peut produire de plus en plus de lait. Avez-vous l'intention de demander davantage de sous-produits du lait?

M. Robinson: Nous sommes entièrement entre les mains du gouvernement du Canada. Nous acceptons ce qu'on nous donne. Évidemment, nous insistons un peu si nous avons besoin de plus de ceci ou de moins de cela, mais nous sommes entièrement entre les mains des donateurs.

M. Frank Shefrin (directeur de la Division des services des marchés, Direction de l'économie, ministère de l'Agriculture): Permettez-moi d'intervenir, pour m'assurer que nous n'avons pas entièrement tort à cet égard. Dans certains cas, d'autres pays exercent une pression très forte, et on nous demande parfois d'être tolérants. Mais nous avons exercé une pression constante et nous avons reçu la collaboration nécessaire à cet égard. Je m'excuse d'être intervenu, mais je voulais m'assurer qu'il y a un équilibre à ce sujet. Merci.

Le président: L'observation de M. Shefrin est reçue. Merci, monsieur Shefrin. Excusez-moi, monsieur Southam, d'avoir fait sauter votre tour. Je vous donne maintenant la parole.

M. Southam: Merci, monsieur le président. D'après l'horaire prévu, il ne nous reste plus beaucoup de temps. Vous serez heureux d'apprendre que trois des quatre questions que j'avais à poser ont déjà reçu une réponse. Je voudrais, toutefois, m'associer aux observations faites tout à l'heure par M. Pringle et par vous-même, monsieur le président. À titre de membre du Comité, je suis très heureux de la présence de M. Aquino, de M. Robinson et de leurs associés ce matin. Nous avons eu un entretien très complet et très instructif au sujet du Programme alimentaire mondial.

Je crois que M. Aquino a plus ou moins abordé, tout à l'heure, le sujet de ma question. À l'heure actuelle, il y a suffisamment de pays riches qui veulent et puissent approvisionner les pays pauvres; mais pensez-vous qu'à un moment donné, et dans pas très longtemps, nous en arriverons à une situation où les pays pauvres demanderont plus de nourriture que l'on ne peut leur en fournir? Le

[Texte]

come this as far as bringing pressure on the donor countries is concerned?

Mr. Aquino: Mr. Chairman, if my memory does not fail me, total foods moving in the form of donations or on concessional terms between the "haves" and the "have-nots" amounts to about \$1.5 billion to \$1.6 billion per year, and we are moving only a very small fraction of this amount. So that there certainly would be room for increasing our participation in this if the countries see fit to give to us. Apart from this, I would say that this condition, as pointed out earlier in the discussions, would probably continue for several years to come. I do not know whether my answer satisfies the hon. Member.

Mr. Southam: Thank you. The situation today is realized to a much greater extent through the medium of television. As they say, a picture is worth a thousand words. The "have-not" nations, looking through the window of television, realize how much better the "have" countries are living and this has created discontent in their own countries and a basis for a certain amount of revolutionary action. It is through the distribution of food to the "have-nots" that we as Members of Parliament in a "have" country can help to relieve these problems. It is just six years since the inception of this program.

I might mention for the record, too, that I am glad to be a member of the country that was so closely associated with the development of this idea in the first place. I am very pleased with the progress that is being made, and I am sure that this is the sentiment of all members here.

Some hon. Members: Hear, hear.

The Chairman: Thank you, Mr. Southam. I recognize Mr. Whicher.

Mr. Whicher: May I ask one follow-up question in respect of what Mr. Southam just mentioned.

We all agree that this is a great program, but what about your research? What about 10 years from now when the population of India may increase by a third? Are they going to starve over there, or are we going to be able to look after them? After all, the embarrassment of those people in having no food is greater but, nevertheless, our embarrassment in having too much is also very great. Half our time in Parliament is taken up discussing the fact that we have too much food of one description or another. Are we going to be

[Interprétation]

problème s'est-il déjà posé et, dans l'affirmative, quelles mesures prenez-vous pour exercer une pression sur les pays donateurs?

M. Aquino: Si je me souviens bien, monsieur le président, les aliments expédiés vers les pays pauvres par les pays riches, sous forme de dons ou de concession, totalisent une valeur de 1.5 ou 1.6 milliards de dollars par an, et nous ne nous occupons que d'une très petite partie de ce total. Par conséquent, il y aurait certainement moyen d'augmenter notre participation si les pays voulaient bien nous en charger. A part cela, je dirais que cette situation, comme on l'a dit auparavant au cours des délibérations, se continuera probablement pendant plusieurs années encore. Je ne sais pas si ma réponse est satisfaisante ou non pour l'honorable député.

M. Southam: Merci. On se rend beaucoup mieux compte de la situation, de nos jours, grâce à la télévision. Comme le veut l'adage, un tableau vaut tous les discours. Les pays défavorisés se rendent compte, au moyen de la télévision, que les pays riches vivent beaucoup mieux qu'eux, et cela fait naître chez eux un certain mécontentement et les fondements d'une certaine action révolutionnaire. C'est en distribuant des aliments aux pays défavorisés que nous, députés d'un pays riche, pourrions aider à soulager ces problèmes. Il y a six ans à peine que ce programme a été mis sur pied.

Je pourrais ajouter que je suis heureux d'appartenir au pays qui a été associé si étroitement à la conception même du programme. Je suis enchanté des progrès accomplis, et je suis certain que tous les membres du Comité sont du même avis.

Des voix: Bravo.

Le président: Merci, monsieur Southam. Monsieur Whicher, vous avez la parole.

M. Whicher: J'aimerais poser une question qui fait suite à ce que vient de dire M. Southam.

Nous nous accordons tous pour dire que ce programme est merveilleux, mais que faites-vous des recherches? Que va-t-il se passer dans dix ans, lorsque la population de l'Inde aura peut-être augmenté du tiers? Est-ce que les gens là-bas vont mourir de faim, ou est-ce que nous pourrions nous occuper d'eux? Après tout, l'embarras de ces gens qui n'ont pas de nourriture est beaucoup plus grand, mais il n'empêche que notre embarras parce que nous avons une production excédentaire, est grand lui aussi. Nous passons à peu près la

[Text]

able to distribute this food across the world? Looking at it from a political point of view—and you do not have to comment on this—considering the fact that Canada is the most sparsely populated country in the world, the second largest in the world with only 21 million people, would it not be better to bring a whole lot more people over here to help us eat up the food that we now have, thus helping to relieve the hunger of the people over there?

The Chairman: Do you wish to comment?

Mr. Aquino: Yes, I have a comment. We are only a very small organization, Mr. Chairman. Actually, we are administrators of the program that you have entrusted us with. Actually we have only 65 professionals in the World Food Program handling this operation, which you have now seen is increasing rather rapidly. We watch very carefully the developing food situation in the world. We depend very much on the FAO and other UN agencies that do research for us.

But recently there has been a change in the wind. The Intergovernmental Committee of the World Food Program has now been entrusted with the study of a resolution passed by the United Nations General Assembly in the fall of last year, called the Resolution on Multilateral Food Aid, and now we will begin to go into these problems in more detail because we have now the task of producing some recommendations for the future to our parent bodies, the U.N. Economic and Social Council and the Council of FAO. Although, as I say, we have been watching the situation rather carefully and depending on these other organizations, we now will be more closely involved in studying the problem of food supplies in the world and population growth.

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Mr. Whicher: If I may interrupt you for a minute, what are you going to do 10 years from now, and I am speaking roughly, when the population of India is one-third greater—not you as an organization but as one of the organizations who helps supply food for the world?

Mr. Aquino: Well, we hope that through the efforts of India itself the situation will

[Interpretation]

moitié de notre temps au Parlement à discuter du fait que nous avons des excédents dans telle ou telle denrée. Allons-nous pouvoir distribuer toute cette nourriture à travers le monde? Du point de vue politique—et je ne vous demande pas de faire d'observations à ce sujet—étant donné que le Canada a la densité de population la plus faible du monde, avec 21 millions d'habitants alors qu'il est le second pays du monde pour la superficie, ne vaudrait-il pas mieux faire venir beaucoup plus de gens ici pour nous aider à manger ces excédents de nourriture, ce qui permettrait en même temps de soulager en partie la faim dans le monde?

Le président: Avez-vous des observations à faire?

M. Aquino: Un seul commentaire. Notre organisme est très petit, monsieur le président. En fait, nous sommes les administrateurs du programme que vous nous avez confié. Il n'y a que 65 personnes qui travaillent à cette opération qui prend rapidement de l'ampleur. Comme vous venez de le signaler. Nous surveillons très attentivement la situation alimentaire dans le monde. Nous devons compter énormément sur la FAO et sur les autres organismes de l'ONU pour effectuer des recherches pour nous.

Récemment, nous voyons un changement. Le Comité intergouvernemental du Programme alimentaire mondial s'est maintenant vu confier une résolution adoptée par l'Assemblée générale des Nations Unies, à l'automne de l'an dernier, qui s'appelle, «Résolution sur l'aide multilatérale en alimentation.» Et maintenant, nous allons pouvoir aborder ces problèmes en plus de détails, car la tâche de présenter des recommandations pour l'avenir, à la FAO et au Conseil économique et social de l'ONU, nous incombe. Bien que nous surveillions de près la situation et que nous dépendions de ces organismes, nous pourrions travailler davantage à l'étude des problèmes d'alimentation dans le monde et de l'accroissement démographique.

M. Whicher: Qu'allez-vous faire dans dix ans, lorsque la population de l'Inde aura augmenté du tiers, pas en tant qu'organisme unique, mais comme l'un des organismes qui aident à alimenter le monde?

M. Aquino: Nous espérons que grâce aux efforts de l'Inde même, la situation s'amélio-

[Texte]

have been improved in India 10 years from now rather than depleted further. My impression is that through what they call the miracle varieties of wheat and also the extension of irrigation in that country—they are almost entirely dependent on the monsoon rains for their agricultural production—they will be able to produce additional food in the near future. I do not say that this will happen next year or the following year, but certainly five or ten years from now India should be capable of feeding her increasing numbers in a better way than she is doing now.

I understand they are drilling about 50,000 wells per year in the areas where they cannot use the rivers and they are now also making greater advances in the utilization of the ground water resources of that large country.

Mr. Whicher: Mr. Chairman, I just have one more question. Would you say that when the world is double the present population, that all things being equal—with the planning, and so forth—there will be less starvation than there is at the present time?

Mr. Aquino: I sincerely hope so.

The Chairman: Mr. Robinson on a supplementary.

Mr. Robinson: I do not mean to sound irresponsible but I want to point out, as Mr. Aquino did, that we are just one program working in this whole field. It is nice to try to look ten years ahead but we do not actually operate on ten-year projections. We make no commitments for more than five years and governments, who are our masters, make pledges for only two years at a time, and they never make them more than three years in advance of a pledging conference.

In other words, the next pledging conference will be in January of 1970, at which time governments will decide what resources we should have in the years 1971 and 1972. I agree with you completely that the long range outlook is extremely important, but as far as our operations are concerned we do what governments enable us to do only for about three years at a time.

The Chairman: Gentlemen, I regret that I still have two or three names on my list, but we have reached our adjournment hour. I am sure, Mr. Aquino and Mr. Robinson, that the spirited questioning has been gratifying to you, as your presence has been gratifying to the Committee, and we thank you most sin-

[Interprétation]

rera d'ici dix ans: J'ai l'impression que, grâce aux soi-disant variétés miraculeuses du blé, ainsi qu'à l'extension de l'irrigation dans ce pays où on compte entièrement sur la pluie pour la production agricole, on pourra produire des quantités supplémentaires de produits alimentaires d'ici quelques années. Je ne dis pas que cela se produira l'an prochain, ou l'année après, mais certainement dans cinq ou dix ans, l'Inde devrait être en mesure d'alimenter sa population croissante de façon plus efficace qu'elle ne le fait à l'heure actuelle.

Je crois comprendre qu'on creuse environ 50,000 puits par année dans les régions où on ne peut pas utiliser les rivières et qu'on fait des progrès considérables dans l'utilisation des nappes d'eau souterraines de cet immense pays.

M. Whicher: Monsieur le président, une dernière question. Diriez-vous que lorsque le monde aura atteint le double de la population actuelle, toutes proportions gardées à l'aide de la planification, et autres moyens, qu'il y aura moins de famine qu'il y en a à l'heure actuelle?

M. Aquino: Je l'espère sincèrement.

Le président: M. Robinson aurait un commentaire à ajouter.

M. Robinson: Je ne veux pas paraître irresponsable, mais je voudrais tout simplement vous dire, monsieur, que nous n'avons qu'un seul programme dans ce domaine. C'est beau de prévoir dix ans à l'avance, mais, à l'heure actuelle, nous n'avons pas de projets qui s'étendent sur une période de dix ans. Nous ne prenons pas d'engagements qui dépassent les cinq ans et les gouvernements qui nous dirigent, ne s'engagent que pour deux ans à la fois. Jamais plus de trois ans lors d'une conférence.

Autrement dit, quand la prochaine conférence aura lieu en janvier 1970, à ce moment-là, les gouvernements décideront quelles ressources nous devrions avoir en 1971 et 1972. Mais je suis tout à fait d'accord que les perspectives à long terme sont extrêmement importantes. En ce qui concerne nos opérations, nous faisons ce que les gouvernements nous permettent de faire et seulement pour une période de trois ans à l'avance.

Le président: Messieurs, je regrette d'avoir encore deux ou trois noms sur ma liste, mais nous en sommes arrivés à l'heure d'ajournement.

Je suis sûr, monsieur Aquino et monsieur Robinson, que ces questions pleines d'à-propos vous ont plu. Nous vous remercions beau-

[Text]

cerely for coming to our meeting this morning and for the very informative answers which you have given to the questions asked.

Mr. Pringle: Mr. Chairman, I wonder if at this time I might take the liberty of making a suggestion. Although you have already thanked these gentlemen, I feel I would have the support of the entire Committee if I were permitted to express a special vote of thanks from the Committee to these learned gentlemen for appearing here this morning. I find this has been one of the most exhilarating and interesting discussions that we have had with respect to agriculture and food generally in the world.

The Chairman: I am sure there is general agreement.

Clause 1 agreed to.

The Chairman: Gentlemen, there will be a meeting of the steering committee in my office at room 247 in the West Block at 3.30.

The meeting is adjourned to the call of the Chair.

[Interpretation]

coup d'être venu à notre comité ce matin et de nous avoir donné des réponses aussi précises.

M. Pringle: Monsieur le président, me permettez-vous de remercier ces messieurs au nom du Comité. Je voudrais exprimer toute ma reconnaissance à ces messieurs qui sont venus ce matin. A mon avis, cette discussion a été la plus intéressante et la plus animée parmi celles que nous avons eues portant sur l'agriculture et l'alimentation dans le monde entier.

Le président: Je suis sûr que tous partagent le même avis.

L'article 1 est adopté.

Le président: Messieurs, il y aura une réunion du sous-comité directeur à mon bureau, 247, Édifice de l'Ouest, à 3 h. 30.

La séance est levée.

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OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

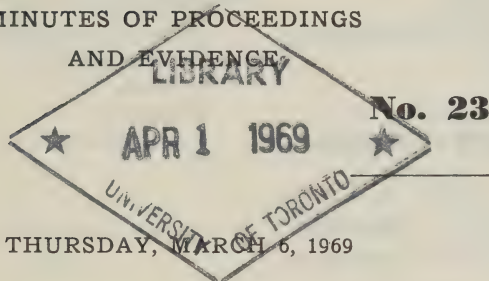
Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES



THURSDAY, MARCH 6, 1969

LE JEUDI 6 MARS 1969

Respecting

Concernant

Estimates (1969-70) relating to the
Department of Agriculture

Budget des dépenses de 1969-1970 concer-
nant le ministère de l'Agriculture

Including Seventh Report to the House

Y compris le septième Rapport
à la Chambre

Appearing:

A comparu:

Minister of Agriculture

Hon. H. A. Olson

Ministre de l'Agriculture

WITNESSES—TÉMOINS

(See Minutes of Proceedings)

(Voir les procès-verbaux)

THE QUEEN'S PRINTER, OTTAWA, 1969
L'IMPRIMEUR DE LA REINE, OTTAWA, 1969

STANDING COMMITTEE ON
AGRICULTURE

Chairman
Vice-Chairman

and Messrs.

Barrett,
¹ Burton,
Clermont,
Cobbe,
Côté (*Richelieu*),
Cyr,
Danforth,
Douglas (*Assiniboia*),
Foster,
Gauthier,

Mr. Bruce S. Beer
Mr. Marcel Lessard
(*Lac-Saint-Jean*)

Gleave,
Horner,
Howard (*Okanagan*
Boundary),
Korchinski,
Lambert (*Bellechasse*),
LaSalle,
Lind,
McKinley,
Moore (*Wetaskiwin*),

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

COMITÉ PERMANENT DE
L'AGRICULTURE

Président
Vice-président

et MM.

Muir (*Lisgar*),
Peters,
Pringle,
Roy (*Laval*),
Southam,
Stewart (*Okanagan-*
Kootenay),
Whelan,
Whicher,
Yanakidis—30.

¹ Replaced Mr. Thomson (*Battleford-*
Kindersley) on March 6, 1969.

¹ Remplace M. Thomson (*Battleford-*
Kindersley) le 6 mars 1969.

REPORT TO THE HOUSE

FRIDAY, March 7, 1969.

The Standing Committee on Agriculture has the honour to present its

SEVENTH REPORT

Your Committee recommends that it be authorized to travel from place to place in western Canada, from the 9th April, 1969, to the 20th April, 1969, that its principal purpose shall be to examine the circumstances of the grain industry as it exists in that area, and that the necessary staff do accompany the Committee.

Respectfully submitted,

Le président,
BRUCE S. BEER,
Chairman.

NOTE: Concurred in Monday, March 10, 1969.

RAPPORT À LA CHAMBRE

Le VENDREDI 7 mars 1969.

Le Comité permanent de l'agriculture a l'honneur de présenter son

SEPTIÈME RAPPORT

Le Comité recommande que permission lui soit accordée de se déplacer à travers l'Ouest du Canada, du 9 avril au 20 avril 1969, afin d'étudier principalement la situation actuelle de l'industrie céréalière dans cette région, et que le personnel nécessaire accompagne le Comité.

Respectueusement soumis,

NOTE: Agréé le lundi 10 mars 1969.

[Text]

MINUTES OF PROCEEDINGS

THURSDAY, March 6, 1969
(26)

The Standing Committee on Agriculture met at 9.42 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Barrett, Beer, Burton, Cobbe, Côté (*Richelieu*), Cyr, Danforth, Douglas (*Assiniboia*), Foster, Gauthier, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), La Salle, Lessard (*Lac-Saint-Jean*), Lind, McKinley, Moore (*Wetaskiwin*), Muir (*Lisgar*), Peters, Pringle, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Whicher, Yanakis—(28).

Also present: Messrs. LeBlanc (*Rimouski*), and Benjamin, M.P.'s.

Appearing: The Honourable H. A. Olson, Minister of Agriculture.

Witness: Mr. S. B. Williams, Deputy Minister of Agriculture.

The Committee resumed consideration of Item 1 of the 1969-70 Estimates relating to the Department of Agriculture.

The Chairman presented the Third Report of the Subcommittee on Agenda and Procedure, as follows:

The National Farmers Union is in Ottawa today to meet with the Minister of Agriculture and the Canadian Dairy Commission and has asked to meet with the Committee to discuss the matter of corn markets and prices in Canada relative to the U.S.A. import situation.

Your Subcommittee recommends that the National Farmers Union be heard starting at 10.30 a.m. this morning if representatives are available.

[Traduction]

PROCÈS-VERBAUX

Le JEUDI 6 mars 1969.
(26)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 42, sous la présidence de M. Beer.

Présents: MM. Barrett, Beer, Burton, Cobbe, Côté (*Richelieu*), Cyr, Danforth, Douglas (*Assiniboia*), Foster, Gauthier, Gleave, Horner, Howard (*Okanagan Boundary*), Korchinski, Lambert (*Bellechasse*), La Salle, Lessard, (*Lac-Saint-Jean*), Lind, McKinley, Moore (*Wetaskiwin*), Muir (*Lisgar*), Peters, Pringle, Roy (*Laval*), Southam, Stewart (*Okanagan-Kootenay*), Whicher, Yanakis—(28).

De même que: MM. LeBlanc (*Rimouski*) et Benjamin, députés.

A comparu: L'honorable H. A. Olson, ministre de l'Agriculture.

Témoin: M. S. B. Williams, sous-ministre de l'Agriculture.

Le Comité reprend l'examen du crédit 1 des prévisions budgétaires du ministère de l'Agriculture pour l'année 1969-1970.

Le président présente le troisième rapport du sous-comité du programme et de la procédure, à savoir:

La *National Farmers Union* est à Ottawa aujourd'hui pour s'y entretenir avec le ministre de l'Agriculture et avec le Commission canadienne du lait, et elle a demandé à comparaître devant le Comité afin d'examiner avec lui la question des marchés et des prix du maïs au Canada dans le contexte de la situation de l'importation des États-Unis.

Le sous-comité recommande que la *National Farmers Union* soit autorisée à comparaître ce matin à partir de 10 h. 30, si ses représentants sont disponibles.

On motion of Mr. Pringle,

Resolved,—That the Subcommittee's report be adopted.

Mr. Gleave moved, That this Committee ask leave of the House to travel from place to place in Western Canada from the 14th of April, 1969, to the 20th of April 1969.

And further, that it's principal purpose shall be to examine the circumstances of the grain industry as it exists in that area, and that the necessary staff accompany the Committee.

It was agreed to defer consideration of the motion, until approximately 10.30 a.m. this day.

The Minister gave an opening statement of Item 1, and was questioned.

At 10.30 a.m., the Chairman placed the motion before the Committee.

Following discussion, by agreement, the word "14th" in the motion was changed to "9th".

The motion was carried on a show of hands: YEAS 23, NAYS 4.

Mr. Pringle moved, That the Subcommittee of the Standing Committee on Agriculture take immediate steps to plan a trip into Eastern Canada at a date considered acceptable to representatives of eastern farmers.

The motion was carried on a show of hands: YEAS 21, NAYS nil.

Item 1 was allowed to stand.

At 11.35 a.m., the Committee adjourned to the call of the Chair.

Sur la proposition de M. Pringle,

Il est décidé—Que le rapport du sous-comité soit adopté.

M. Gleave propose—Que le Comité demande à la Chambre permission de se déplacer à travers l'Ouest du Canada du 14 avril 1969 au 20 avril 1969.

Et, de plus, que l'objet principal du Comité soit d'examiner la situation de l'industrie céréalière de cette région, et que le personnel nécessaire accompagne le Comité.

Il est décidé de remettre à 10 h. 30 environ ce matin l'examen de la proposition.

Le Ministre fait une déclaration préliminaire relative au crédit 1, et répond à des questions.

A 10 h. 30, le président met la proposition en délibération.

Après débat, on convient de remplacer le chiffre «14», dans la proposition, par le chiffre «9».

La proposition est adoptée, par un vote à main levée, par 23 voix à 4.

M. Pringle propose—Que le sous-comité du Comité permanent de l'Agriculture prenne immédiatement des mesures en vue d'organiser un voyage dans l'Est du Canada à une date qui soit acceptable pour les représentants des agriculteurs de l'Est.

La proposition est adoptée par un vote à main levée (21-0).

Le crédit 1 est réservé.

A 11 h. 35 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

*Le secrétaire du Comité,
Michael A. Measures,
Clerk of the Committee.*

[Texte]

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, March 6, 1969

• 0941

The Chairman: Gentlemen, we have a quorum this morning. We will resume consideration of Item 1 of the 1969-70 Estimates relating to the Department of Agriculture.

I have the honour to present the Third Report of the Subcommittee on Agenda and Procedure, which is as follows:

(See minutes of Proceedings)

Will someone move the adoption of this Report?

Mr. Pringle: I so move.

Mr. Gleave: Mr. Chairman, no mention was made in the report that was just presented of the request by the Saskatchewan Wheat Pool that this Committee travel to the West. As it was not mentioned, I would like to bring it to the attention of the Standing Committee. The request from the Saskatchewan Wheat Pool was received by this Committee on January 14 and we have had some discussions on this matter in the Steering Committee. There have also been further requests by the Saskatchewan Wheat Pool and there is a very considerable amount of expectation out there, rightly or wrongly, that...

The Honourable H. A. Olson (Minister of Agriculture): Mr. Chairman, I wonder if I may interrupt to say something, and I will take the responsibility for it. I asked the Chairman if you could have a discussion about this and it appears that it may take a little time to go over all of the details. I really have to be at a Cabinet meeting at 10 o'clock and I would prefer if you could have that discussion at the end of the meeting today rather than now.

Mr. Gleave: I beg your pardon, Mr. Chairman, but...

The Chairman: I have a further statement which I thought could probably be made after the Minister has had an opportunity to present his opening statement.

Mr. Gleave: Are you proposing, Mr. Chairman, to let the report of the Steering Com-

[Interprétation]

TÉMOIGNAGES

[Enregistrement électronique]

Le jeudi 6 mars 1969

Le président: Messieurs, nous avons le quorum. Nous reprenons l'étude du poste numéro 1 des prévisions budgétaires pour l'exercice 1969-1970 du ministère de l'Agriculture. J'ai l'honneur de présenter le troisième rapport du sous-comité du programme et de la procédure qui se lit comme suit:

(voir compte rendu)

Y a-t-il quelqu'un qui propose l'adoption de ce rapport?

M. Pringle: Je le propose.

M. Gleave: Le rapport qui vient d'être présenté ne mentionne pas la demande du Syndicat du blé de la Saskatchewan de voir ce comité effectuer un voyage vers l'Ouest. Comme ce n'est pas indiqué, j'aimerais le signaler à l'attention du Comité permanent. La demande du syndicat du blé de la Saskatchewan a été reçue par ce Comité le 14 janvier, laquelle demande a fait l'objet de discussions au sein du Comité de direction. Le Syndicat du blé de la Saskatchewan a également présenté d'autres demandes à la suite desquelles on a formulé des espoirs, à tort ou à raison, que...

L'hon. H. A. Olson (Ministre de l'Agriculture): Monsieur le président, puis-je interrompre le député pour ajouter quelque chose, et j'en prends la responsabilité. J'ai demandé au président si vous vouliez discuter de cette question et il me semble que cette discussion pourrait durer quelque temps. Je dois assister vraiment à une réunion du Cabinet à 10 heures et j'aurais préféré que vous discutiez de cette question à la fin de cette réunion aujourd'hui plutôt que tout de suite.

M. Gleave: Je regrette, monsieur le président, mais...

Le président: J'ai une autre déclaration que je pourrais peut-être faire après que le Ministre aura eu la possibilité de nous présenter son exposé.

M. Gleave: Monsieur le président, avez-vous l'intention de réserver le rapport du

[Text]

mittee stand until after the Minister has made his statement? I interjected because I thought that once the Steering Committee reported it would be assumed that this matter had been dealt with. I do not believe it has, and I would be prepared to move a motion...

Mr. Olson: The only other thing, Mr. Gleave, is that inasmuch as the National Farmers Union wanted to appear here at 10.30 a.m., the suggestion was made that you should deal with that matter before they come and not defer it until after 10.30 a.m.

Mr. Gleave: Mr. Chairman, I fail to see why this motion cannot be moved now. What you have suggested is related to one segment of the Committee report. If you move that now will you agree to put the other part on before the end of the meeting?

The Chairman: Absolutely.

Mr. Gleave: Mr. Chairman, I think this matter can be dealt with rather quickly in the form of a very short motion put before the meeting and...

• 0945

An hon. Member: It is only one motion.

Mr. Gleave: If the National Farmers Union appears before us at 10:30 a.m., and we do not deal with this now, it is inevitable that they will carry on for the hour, I would think, considering the interest that people have in this matter. This is something of an urgent enough nature that it should be dealt with today. Therefore I move:

That this Committee ask leave of the House to travel from place to place in Western Canada from the 14th of April, 1969, to the 20th of April 1969. And further, that its principal purpose shall be to examine the circumstances of the grain...

The Chairman: We have a motion before the Chair, Mr. Gleave, and we cannot entertain two motions at one time. We must first of all dispose of the motion to hear the National Farmers Union at 10.30 a.m. This motion has been duly moved. Does that meet with the approval of the Committee?

Some hon. Members: Agreed.

The Chairman: Then if the National Farmers Union is available they will be heard at 10.30 a.m. May we now have your motion?

[Interpretation]

Comité de direction jusqu'à ce que le Ministre ait fait son exposé? Je m'y suis opposé parce que je pensais qu'une fois que le rapport du Comité aurait été lu, il serait considéré comme adopté. A mon avis, il ne l'est pas et je serais disposé à proposer une motion...

M. Olson: Monsieur Gleave, étant donné que la «*National Farmers Union*» a voulu se présenter ici à 10:30 a.m., on avait proposé que vous vous occupiez de cette question avant leur arrivée et non pas la remettre après 10:30 a.m.

M. Gleave: Monsieur le président, je ne vois pas pourquoi cette motion ne peut être proposée tout de suite. Ce que vous avez proposé se rapporte à une partie du rapport. Si vous proposez cela à présent, seriez-vous d'accord pour que l'on présente l'autre partie avant la fin de la réunion?

Le président: Absolument.

M. Gleave: Monsieur le président, il me semble que cette question peut être réglée assez rapidement par une motion présentée très rapidement à la réunion.

Une voix: Ce n'est qu'une seule motion.

M. Gleave: Si la «*National Farmers Union*» comparait devant nous à 10h. 30, et que nous ne réglons pas cette affaire maintenant, la discussion se poursuivra toute l'heure étant donné l'intérêt que portent les gens à cette question. Il s'agit ici d'une affaire très urgente qui devrait être réglée aujourd'hui même. C'est pourquoi je propose:

Que le Comité demande le consentement de la Chambre de se déplacer d'une place à l'autre dans l'Ouest du Canada à partir du 14 avril 1969 jusqu'au 20 avril 1969. Et d'autre part que le but principal soit d'étudier la situation du blé.

Le président: Nous avons une motion déjà. Nous ne pouvons pas examiner deux motions. Nous devons tout d'abord trancher la motion qui est d'entendre les représentants de la «*National Farmers Union*» à 10:30 a.m. Cette motion a été dûment proposée. Est-ce que vous êtes d'accord?

Quelques voix: D'accord.

Le président: Si la «*National Farmers Union*» a des représentants, on les entendra à 10 heures 30. Voulez-vous nous présenter votre motion.

[Texte]

Mr. Gleave: I move:

That this Committee ask leave of the House to travel from place to place in Western Canada from the 14th of April, 1969, to the 20th of April, 1969.

And further, that its principal purpose shall be to examine the circumstances of the grain industry as it exists in that area, and that the Clerk of the Committee and the necessary supporting staff do accompany the Committee.

The Chairman: Gentlemen, may I say...

Mr. Pringle: May I suggest, Mr. Chairman, that this motion be deferred until after the Minister has made his statement. There is bound to be considerable discussion regarding this motion in view of the circumstances relating to other committees which will be travelling, and various other problems. I think we should respect the wishes of the Minister and permit him to make his statement at this time and we can take this motion up afterwards.

Mr. Howard (Okanagan Boundary): I move that the motion be tabled...

Mr. Horner: Mr. Chairman, do we have a motion? We cannot have another motion. I would like to speak to the motion.

The Chairman: I think we are getting into deep water; I hope they are not troubled waters. Mr. Horner would like to speak to the motion.

Mr. Howard (Okanagan Boundary): Mr. Chairman, I do not believe a motion to table is debatable.

Mr. Horner: I had my hand up before you even started to talk. I did not break in when you were speaking. I was polite. I wanted the Chairman to recognize me first. I wish to draw this as a point of order to your attention, Mr. Chairman. I had my hand up and you acknowledged the fact my hand was up, but the hon. member broke in and made his motion without being duly recognized by the Chair. Therefore I request permission to speak to the motion made by the member for Saskatoon-Biggar, and with your permission I will do so.

I think the question about whether or not we are going to travel to Saskatchewan is a pretty important one. The offer has been made by a very knowledgeable and earnest

[Interprétation]

M. Gleave: Je propose:

«que le comité demande le consentement de la Chambre de se déplacer d'une place à l'autre dans l'Ouest du Canada, à partir du 14 avril 1969 jusqu'au 20 avril 1969. Et d'autre part, que son but principal soit d'étudier la situation de l'industrie du blé telle qu'elle se présente dans cette région, et que ce comité soit accompagné du greffier du comité et du personnel nécessaire.»

Le président: Messieurs, permettez-moi de dire...

M. Pringle: Monsieur le président, permettez-moi de proposer que cette motion soit retenue jusqu'à ce que le Ministre ait fait son exposé. Cette motion fera certainement l'objet d'une longue discussion, étant donné les circonstances ayant trait aux autres comités qui voyageront, et à divers autres problèmes. Nous devrions tenir compte du désir du Ministre et lui permettre d'abord de faire son exposé et nous reprendrons ensuite cette motion.

M. Howard (Okanagan-Boundary): Monsieur le président, nous sommes saisis d'une motion.

M. Horner: Monsieur le président, avons-nous une motion? Nous ne pouvons avoir une autre motion. J'aimerais parler au sujet de la motion.

Le président: Il me semble que la discussion commence à s'exacerber, j'espère que les choses ne vont pas se gâter. Monsieur Horner, voulez-vous discuter de la motion?

M. Howard (Okanagan-Boundary): Monsieur le président, je ne crois pas qu'une motion déposée soit sujette à débat.

M. Horner: J'ai levé la main avant que vous ne preniez la parole. Je ne vous ai pas interrompu. Par politesse. J'ai voulu attirer l'attention du président. Monsieur le président, j'attire votre attention sur une motion d'ordre. J'avais la main levée et vous m'avez donné la parole, mais l'honorable député m'a interrompu et a présenté sa motion sans votre autorisation. Par conséquent, je demande l'autorisation de parler de la motion présentée par l'honorable député de Saskatoon-Biggar, et avec votre permission je le ferai. Je pense que la question de savoir si le voyage en Saskatchewan se fera ou non est très importante. L'offre a été faite par une organisation très sérieuse et assez bien connue dans cette province. En examinant les dates du 14 et 20

[Text]

organization in that province. Looking at the dates, April 14 and April 20, which is the period the motion suggests we travel to Western Canada, you will see it follows shortly after our return from the Easter recess.

If my calculation is right the Easter recess will start somewhere in the neighbourhood of April 2, or thereabouts, so we have to make up our minds. Today is March 6. We have to confront ourselves with this problem and make up our minds if we are going, because no group, even one as big as the Saskatchewan Wheat Pool, can lay on briefs and work for the Committee in that province without having some notice that the Committee is actually going out there. I think it is only fair to them that we give them two weeks notice in order to prepare something for us in the line of briefs and conditions to see in Saskatchewan. I fully acknowledge the demands on the Minister's time.

I am fully aware, though, Mr. Chairman that the Minister can come back to the next meeting of this Committee and deal at length with Item 1, because if we are going to hear the National Farmers Union it is not likely we will get through Item 1 today, and so if the Minister does not get enough time today to tell us all he wants to divulge he will have ample time at a later meeting. Although I should be very concerned about his time allotment in this Committee, I do not really believe that it should take precedence over the very worthwhile suggestion made by the Saskatchewan Wheat Pool and the invitation to this Committee and we should at least acknowledge that invitation by discussing it in this Committee and giving them plenty of notice that we are accepting or rejecting it. I say that the Committee should confront itself with this problem; at least give it some serious thought before offhandedly referring it to some later date.

The Chairman: Gentlemen, we have a motion to table the motion at 11.30. This motion is not debatable. All those in favour of this motion?

Mr. Gleave: On a point of order, Mr. Chairman, I do not think a tabling motion can be qualified. If the motion is deferred, yes, but I do not think you can qualify a tabling motion. Am I wrong?

Mr. Olson: I do not see any difference between a tabling motion being deferred to a specific hour and a motion being deferred...

[Interpretation]

avril, proposées pour notre voyage vers l'Ouest, vous remarquerez qu'elles suivent de très près notre retour des vacances de Pâques.

Si mon calcul est exact, ces vacances débutent le 2 avril, ou à peu près, par conséquent il faudra se décider et bien vite. Nous sommes aujourd'hui le 6 mars. Nous devons faire face à ce problème et nous décider si nous comptons partir ou non, car aucun groupe, si important soit-il, ne peut se fier sur des mémoires, sans qu'il sache exactement si le Comité compte effectivement voyager. Il n'est que juste que de leur donner deux semaines de préavis, ce qui leur permettra de s'y préparer en ce qui concerne les mémoires et les conditions matérielles. Je me rends compte que le Ministre a très peu de temps. Je sais que le Ministre peut revenir cet après-midi au Comité pour examiner le poste numéro 1 car si nous devons entendre la «*National Farmers Union*», je doute fort que nous puissions en finir avec le poste 1 aujourd'hui.

Je sais que le Ministre a un tas de choses à nous dévoiler. Il aura assez de temps à une réunion ultérieure. Bien que cela m'intéresse de savoir combien de temps il consacre à ce Comité, je ne crois pas que la visite doive réellement primer la précieuse proposition faite par le syndicat de la Saskatchewan. Nous devrions en tenir compte, connaître son importance en la discutant à fond et lui donner suffisamment de temps à l'avance pour préparation de travail. Voilà pourquoi il convient d'y réfléchir avant de déferer la question à une autre à une date ultérieure.

Le président: Messieurs, nous avons la motion de déposer la motion jusqu'à 11 heures. Si cette motion n'est pas débattable, que tous ceux qui sont en faveur... j'invoque le règlement, M. l'Orateur.

M. Gleave: Je ne pense pas qu'on puisse déposer cette motion. Si la motion est différée, oui, mais je ne pense pas que vous ayez le droit de demander le dépôt de la motion. Est-ce que je me trompe?

M. Olson: Je ne vois pas la différence entre une motion tendante à déposer une motion et une motion tendante à différer...

[Texte]

An hon. Member: We have been talking about it for about seven minutes. I think we have been deferring it for seven minutes.

The Chairman: Is there agreement that this motion be deferred until 11.30?

Mr. Horner: Now you are deferring it for one hour and a half.

The Chairman: I think that was the agreement. Leaving time—was the motion 10.30 or 11.30?

Mr. Howard (Okanagan Boundary): I understood the Minister was leaving at 10 o'clock and it is nearly 10 o'clock now.

Mr. Horner: Let us clear up the motion. Is it until 10 o'clock or 11.30?

The Chairman: Let us have the motion at 10.30. Would that be agreeable?

Mr. Horner: He made the motion. Are you amending it, Mr. Chairman?

Mr. Howard (Okanagan Boundary): Mr. Chairman, do we not have the National Farmers Union coming at 10.30?

The Chairman: Yes, I am assuming they are. But I am assuming that you intended to dispose of this motion prior to hearing the National Farmers Union. If that is not your wish then we will accommodate them.

Mr. Horner: Prior to?

The Chairman: Yes.

Mr. Burton: Mr. Chairman, if the Minister is going to leave at 10 o'clock there is hardly any point in his starting his remarks now.

The Chairman: I think probably, with due respect, if we could have contained our remarks a little bit, the Minister would have finished by this time. Is there agreement that we defer this motion until 10.30, or prior to hearing the National Farmers Union? Is this agreed?

Some hon. Members: Agreed.

The Chairman: Gentlemen, the Minister is present and we are pleased to have him here. As is customary he will make an opening statement on Vote 1. Mr. Olson, we would be happy to hear you now.

Mr. Olson: Mr. Chairman and members of the Committee, in introducing the 1969-70 estimates, I would like first to draw attention to the fact that these are documented in two forms: the official Blue Book on which parlia-

[Interprétation]

Une voix: Nous en avons parlé pendant 7 minutes maintenant. Je pense qu'on l'a différée de 7 minutes.

Le président: Êtes-vous d'accord de différer cette motion jusqu'à 11 h 30?

M. Horner: Maintenant on la diffère d'une heure et demie.

Le président: Je pense qu'on a en convenu comme ça. L'heure de départ, était-ce 10 h 30 ou 11 h 30?

M. Howard (Okanagan Boundary): Je pensais que le ministre va partir à 10 heures et c'est presque 10 heures maintenant.

M. Horner: Ceci tranche la question—est-ce que c'est 10 heures ou 11 heures et demie?

Le président: Abordons la motion de 10.30. Êtes-vous d'accord.

M. Horner: Il a présenté la motion, l'avez-vous modifiée monsieur le président.

M. Howard (Okanagan Boundary): Monsieur le président, est-ce que le National Farmers Union viendra à 10:30?

Le président: Je pense que oui. Mais je suppose que vous aviez l'intention de trancher cette motion avant d'entendre la *National Farmers Union*. Sinon, nous nous arrangerons.

M. Horner: Avant, monsieur le président?

Le président: Oui.

M. Burton: Monsieur le président, si le Ministre va nous quitter à 10 heures, il est inutile de commencer son exposé maintenant.

Le président: Je crois que si nous avons abrégé notre discussion un peu, le ministre aurait terminé maintenant. Êtes-vous d'accord qu'on diffère cette motion jusqu'à 10 h. 30 ou avant d'entendre la *National Farmers Union*? D'accord?

Des voix: D'accord.

Le président: Messieurs, le ministre est là, nous sommes heureux de lui souhaiter la bienvenue. Il va nous faire sa déclaration habituelle sur le crédit numéro 1. M. Olson, nous serions heureux de vous entendre maintenant.

M. Olson: Monsieur le président, Mssrs les membres du comité, en présentant les crédits de 1969-70, je voudrais tout d'abord signaler qu'ils se retrouvent sous deux formes—le livre bleu donnant les crédits parlementaires

[Text]

mentary appropriations will be voted, and in a new format which presents estimates based on programs and activities.

The "forward" section appearing in the new booklets refers to the specific recommendations of the Royal Commission on Government Organization, in other words, the Glassco Commission, and this gives rise to this newly-developed form, which is one aspect of a comprehensive program of financial management improvement whereby the concept of planning-programming-budgeting and responsibility reportings will be coming into full

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operation in the federal government. Several other features of the system will be implemented throughout the amended Financial Administration Act. As you know that is Bill No. C-172 recently introduced in the House.

In the Blue Book format, elements of expenditure are shown by standard objects under a vote structure oriented principally toward organizational segments of the department. The new estimates form is expected to become the official instrument for appropriation in 1970-71. It will bring certain mechanical advantages, such as a substantial reduction in the number of items on which voting action is required, but the more important aim is to reveal more clearly to Parliament the purposes of expenditure.

This is accomplished by identifying departmental objectives, programs and activities and relating these to resource requirements. Notwithstanding that refinements may yet be made in either the program and activity structure, the objectives or the vote structure, the new form now before you is the prototype of estimates for the future. As I would like to rely on this form and test its capabilities, I do not propose to indulge in general descriptions of the department's functions.

The estimates before you for the fiscal year 1969-70 reflect the prevailing policy of expenditure constraint, the dollar total of \$250.8 million (including the statutory items) being approximately \$5 million below the main estimated provision for the current fiscal year. These figures are for the Department of Agriculture proper, excluding the Farm Credit Corporation, the Canadian Livestock Feed Board and the Canadian Dairy Commission. The principal decrease is \$11.3 million reduction in funding for price support programs and a \$2.8 million reduction in hog premiums.

[Interpretation]

qui seront approuvés par le Parlement et sous une nouvelle forme qui présente les crédits en fonction des programmes et des activités.

Les premières pages du Livre blanc donnent les grandes lignes de la commission royale sur l'organisation du gouvernement, suite à la recommandation de la commission Glassco. C'est-à-dire on y retrouve les grandes lignes de cette nouvelle forme, qui constitue un aspect d'un programme général de la mise au point de l'administration financière, par laquelle la planification et la programmation de l'état du budget et de la répartition des comptes au Parlement seront pleinement mises en services dans le gouvernement fédéral. Plusieurs d'autres caractéristiques de la Chambre seront appliquées en même temps, notamment la modification de la loi sur l'administration financière. Comme vous le savez, c'était le bill n° C-172 qui a été récemment présenté à la Chambre.

Dans le Livre bleu, chacun des postes de dépenses sont montrés d'une façon normale dans une finance de crédits principalement orientée vers l'Organisation du ministère. La nouvelle forme de présentations des crédits deviendra l'instrument officiel de la présentation des crédits en 1970-71 et aura certain avantage matériel tel qu'une réduction considérable du nombre des crédits demandant un vote particulier. Mais ce qui est plus important, c'est de montrer plus clairement au Parlement le but des dépenses.

Ceci est accompli en identifiant chacun des objectifs, des programmes et des activités qui se rapportent aux besoins des ressources financières. En dépit, cette amélioration qui doit encore être apportée au programme et à la structure de l'activité, à la structure des objectifs ou des crédits ce qui vous est présenté est le prototype des crédits pour l'avenir. Voilà pourquoi je voudrais m'en tenir à cette forme et vérifier ces possibilités; je n'ai pas l'intention de décrire de façon générale les fonctions du ministère.

Les crédits dont vous êtes saisis sont pour l'année financière 1969-1970 et reflètent la modération des dépenses. Le total de 250.8 million de dollars, y compris les crédits statutaires, qui sont d'environ cinq millions inférieurs aux crédits principaux de l'année financière en cours. Ces chiffres sont pour le ministère de l'Agriculture même sans compter à l'exclusion de la Société du crédit agricole, de l'Office canadien des provendes et de la Commission canadienne laitière. La diminution la plus importante est de 11.3 millions dans le fond aux programmes de prix de sou-

[Texte]

An increase occurs in salaries and wages needed to cover current wage agreements reached under collective bargaining and to provide for anticipated settlements in 1969-70. The salary provision in the current year is \$77.1 million, that is including retroactive payments. New year provision is \$79.2 million or an increase of \$2.1 million.

In regard to price support funds, that is in the Blue Book, Vote 17, members are no doubt aware that price support measures are financed initially through a statutory account of \$250 million and that losses are reimbursed annually through parliamentary appropriations.

The reduced provision in this item, at \$133.4 million for 1969-70 is based on a calculation of the amount required to maintain current support levels for all applicable products. In this calculation, estimates are made of market price relationships and potential marketing volumes for the forthcoming year. Any policy change requiring additional funds would be subject to provision in supplementary estimates.

When speaking to this Committee on the 1968-69 estimates last October, I mentioned special endeavours designed to establish policies and programs in the interest of agriculture and thus of the economy as a whole. I am pleased to report progress in these areas and to assure the Committee that through the 1969-70 estimates high priority continues to be assigned to measures promising basic improvement in farm productivity and marketing and in the level and stability of returns.

Provision is made for the National Farm Management Service to staff regional data preparation centres and commence serving farmers directly with computer analyses of individual farm records. The Agriculture Task Force has submitted its first general report and is filing position papers as the basic documentation for the Canadian Agricultural Congress to be held in Ottawa at the end of this month, specifically starting on the 24th. As I reported to the House of Commons on February 4, further progress has been made in organizing the Canada Grains Council, forming the Council executive and defining their terms of reference. Steps are being taken to establish the Council as a legal entity and provision is made in these estimates for a measure of financial support, a contribution not exceeding \$100,000 shared equally by the Department of Agriculture and the Department of Industry, Trade and Commerce.

[Interprétation]

tient et 2.8 millions de dollars pour les primes de porcs.

Une augmentation des salaires et traitements nécessaires pour faire suite aux ententes collectives salariales et prévoir les règlements à venir en 1969-1970, a été prévue. Les traitements et salaires représentent 77.1 millions, y compris les versements rétroactifs, pour l'année suivante, 79.2 millions, soit une augmentation de 2.1 millions. En ce qui concerne les fonds de prix de soutien dans le livre bleu, crédit numéro 17, les députés savent sans doute que ces mesures sont financées d'abord par un crédit de 250 millions et que les pertes sont remboursées chaque année par des crédits parlementaires.

Nous avons fixé ce montant réduit à 133.4 millions pour 1969-70 en fonction d'un calcul du montant nécessaire pour maintenir les niveaux d'appoints pour tous les produits en question. Dans ce calcul, on a tenu compte du rapport entre les prix et le volume éventuel de la mise en marché de l'année prochaine. Tout changement de la ligne de conduite entraînant un crédit supplémentaire doit former l'objet des crédits supplémentaires.

En parlant au même comité à propos des crédits de 1968-69 en octobre dernier, je disais que nous voulions établir une politique et des programmes dans l'intérêt de l'agriculture et, par conséquent, de l'économie dans son ensemble. Je suis heureux d'annoncer un certain progrès dans ces secteurs et d'assurer le comité que, dans les crédits de 1969-70, on a donné la priorité à l'amélioration de base de la productivité agricole et de la mise en marché des produits ainsi que de la stabilité des recettes.

On a pris des mesures pour le service de gestion agricole d'établir des centres régionaux de préparation des données et de commencer à fournir directement aux cultivateurs des analyses par ordinateur électronique de certaines données agricoles. L'équipe spécialisée de l'agriculture a présenté son premier rapport général et rempli des questionnaires comme documentation de base pour le Congrès canadien de l'agriculture à Ottawa à la fin du mois, c'est-à-dire, commençant le 24. Comme je l'ai dit à la Chambre des communes le 4 février, un nouveau progrès a été fait dans l'organisation du Conseil des grains du Canada, qui forme l'exécutif du conseil, et nous lui avons donné un mandat. On a pris des mesures pour fonder le conseil comme une personne morale et juridique et on prend des mesures pour l'appuyer financièrement. Jusqu'à \$100,000.00 sont payés à part égale par les ministères de l'agriculture et de l'industrie et du commerce.

[Text]

Mr. Chairman, I know that the Agriculture Committee may wish to examine many details of these estimates which make provision for all essential services of the department and my officials and I shall be pleased to come. The appropriate officials will be here on hand throughout the course of the discussions.

That, Mr. Chairman, is the opening statement I wanted to make so that there is an explanation for the change in the format of the estimates, along with the explanations that I gave for it and, as I said, we will be very happy to provide as much detail as members would like on any particular vote as we get to them.

Mr. Southam: Referring to this new format that we plan to use for the 1970-71 Estimates, a confusion developed in relating the different figures. Are we going to use the 1969-70 blue book at these meetings, are we going to use this proposed new format that the Minister referred to?

Mr. Olson: We would like to try to use the new format so that we can familiarize ourselves with it. I do not say that there is not going to be any confusion. There will be some misunderstanding—perhaps lack of understanding is a better way of putting it—until we get used to it. However, the actual votes will be under the old format.

Mr. Southam: Under the old one?

Mr. Olson: This other blue book.

Mr. Southam: This is what we had to revert to the other day on the standing committee because of the confusion. As you say, we want to adapt ourselves to the new one but we still have to depend on this one for this particular set of Estimates.

Mr. Olson: I hope that the discussion will take place on the new format so that we can familiarize ourselves with it, but formal votes will be taken on the old book.

The Chairman: Gentlemen, I am sure I voice the wishes of the Committee when I express to Mr. Olson our appreciation for his opening statement. May I say that your brevity, Mr. Minister, is in keeping with your usual eloquence.

Mr. Olson: Thank you, Mr. Chairman.

The Chairman: I have Mr. Douglas, Mr. Horner, and Mr. Gleave who wish to be recognized. Mr. Douglas?

[Interpretation]

Monsieur le président, je sais que le comité de l'agriculture voudrait examiner en détail chacun des crédits pour ses différents services de mon ministère, et je serai heureux de venir avec mes fonctionnaires. Les fonctionnaires concernés pourront fournir tous les renseignements étudiés à la discussion de mercredi.

C'était l'exposé que je tenais à faire pour expliquer le changement de présentation des crédits. Je répète, nous fournirons volontiers tous les détails que vous voudrez nous demander sur chacun des crédits, au fur et à mesure de leur étude.

M. Southam: A propos de cette nouvelle présentation que nous avons l'intention d'utiliser pour le budget de 1970-1971, on s'est embrouillé dans les chiffres. Est-ce qu'on va utiliser le Livre bleu de 1969-1970 à ces réunions, ou bien la nouvelle présentation que le ministre mentionnait?

M. Olson: Nous aimerions utiliser la nouvelle présentation de sorte que l'on pourrait se familiariser avec. Je ne dis pas qu'il n'y aura pas un peu de confusion. Il y aura des malentendus ou, plus précisément un absence de compréhension, avant qu'on s'y habitue. Toutefois, les crédits réels seront présentés de la vieille façon au Livre bleu.

M. Southam: De la vieille façon?

M. Olson: En utilisant cet autre Livre bleu.

M. Southam: Nous avons dû y recourir l'autre jour, à cause de la confusion, au Comité permanent. Comme vous le dites, nous désirons nous adapter à la nouvelle présentation, mais nous devons utiliser celle-ci pour ce groupe de crédits.

M. Olson: J'espère que les discussions se feront avec la nouvelle présentation, pour que nous puissions nous y habituer. Toutefois, le vaste officiel devra se faire en utilisant la vieille formule.

Le président: Je pense que le Comité désire féliciter M. Olson de sa déclaration d'ouverture. La concision de votre déclaration, monsieur le Ministre, s'accorde avec votre éloquence habituelle.

M. Olson: Merci, monsieur le président.

Le président: Il y a M. Douglas, M. Horner et M. Gleave qui désirent prendre la parole.

[Texte]

Mr. Douglas (Assiniboia): A couple of questions occur to me, Mr. Chairman. In reference to the Task Force, Mr. Olson made reference to the first general reports which have been made, plus some position papers which have been issued. I have not received the first general report.

Mr. Olson: That is right.

Mr. Douglas (Assiniboia): Is it available to the members?

Mr. Olson: It will be available. It is completed, it has been delivered to my office and is now being translated and printed and as quickly as that can be done it will be sent to you and to all the members of the Committee.

Mr. Douglas (Assiniboia): Another question I want to ask has to do with the Canada Grains Council; the Chairman is Mr. Runciman. Will this be a full-time job for Mr. Runciman?

Mr. Olson: Not over a period of time. I do not think it will be considered a full-time job permanently. However, I think it is fair to say that in the initial stages, and because of a number of extremely important matters that we would like to refer to the Canada Grains Council, it will be tantamount to a full time job in the initial stages.

Mr. Douglas (Assiniboia): Is he continuing as president of the United Grain Growers?

Mr. Olson: I think he still holds the position but he is certainly devoting a great deal of time and, as I said, almost full time to this other position and has made arrangements so that he is free from the obligations to his company to that extent.

Mr. Douglas (Assiniboia): Is it fair to ask what salary he is getting from the Canada Grains Council?

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Mr. Olson: You can ask, but I cannot answer you because the details of the financial structure and the assessments that will be put on the various members of the council have not yet been determined.

Mr. Douglas (Assiniboia): Can more members be added to the council than—what is it? I think 27 or so?

Mr. Olson: Yes, there is provision in there to add some. I should also say this, that we contemplated a special act of parliament to set up this council but we are now proceeding, as I said in my opening remarks, to set them up under Letters Patent under the Com-

[Interprétation]

M. Douglas (Assiniboia): Pour ce qui est du groupe d'étude, M. Olson a parlé du premier rapport général de ce groupe d'étude et d'un document de principes qui a été publié. Je n'ai pas encore reçu le rapport.

M. Olson: C'est exact.

M. Douglas (Assiniboia): Est-ce que les députés peuvent l'obtenir?

M. Olson: Oui. Le rapport est terminé, il a été déposé à mon bureau, et on est en train de le traduire et de l'imprimer avec toute la diligence possible. Il vous sera remis ainsi qu'à tous les membres du Comité.

M. Douglas (Assiniboia): Deuxièmement, je voudrais demander où en est la Commission canadienne des céréales? M. Runciman, occupera-t-il un emploi à plein temps?

M. Olson: Pas sur une longue période de temps. Je ne pense pas qu'on puisse considérer ça comme une fonction à plein temps; toutefois on peut dire qu'aux premières étapes, à cause du nombre des questions très importantes que nous aimerions voir étudiées par la Commission, ce travail, au début, équivalra à un travail à plein temps.

M. Douglas (Assiniboia): Est-ce qu'il demeurera président du *United Grain Growers*?

M. Olson: Je pense qu'il occupe encore ce poste mais il consacre presque tout son temps au premier poste: c'est pourquoi, il a pris des dispositions pour se libérer de ses obligations antérieures.

M. Douglas (Assiniboia): Peut-on demander quel traitement il reçoit de la Commission canadienne des céréales?

M. Olson: Vous pouvez me poser cette question mais je ne puis vous répondre parce que les détails de l'organisation financière et de la répartition des tâches n'ont pas encore été déterminés.

M. Douglas (Assiniboia): Peut-on ajouter des membres à la Commission? Je crois qu'il y a 27 membres environ à l'heure actuelle.

M. Olson: Oui, il existe des dispositions à cet effet. Je dois ajouter que nous envisageons une loi spéciale du Parlement pour établir ce Conseil, mais comme je l'ai dit dans ma déclaration d'ouverture, nous allons régler cette question dans les lettres patentes émises

[Text]

panies Act. That came out of a recommendation that the council had in their meeting on February 14.

Mr. Douglas (Assiniboia): Thank you Mr. Chairman.

The Chairman: Thank you, Mr. Douglas. Mr. Horner?

Mr. Horner: Yes Mr. Chairman. I was particularly interested in the Minister's remarks. I attempted to follow his figures and in looking at the new format failed to see the \$11,000,000 reduction. At least, I did not see it, but it may be there.

In any case, the words I really want to say are not concerned with figures; they are concerned with people. The people that I think the Agricultural Committee and the Department of Agriculture should be concerned about are the individual farmers, the people actively engaged. Today we see in this world and in this country a growing degree of mechanism; a growing degree of the lumping together of human beings, and saying, "We will move them here, and we will move them there". We are shuffling them around with no thought and not enough concern for the people involved in the business.

I can think of one particularly glaring example in the Minister's own department: the Canadian Dairy Commission, for example is suddenly deciding that if you are a producer of less than 35,000 pounds of milk, then you cannot get a quota. If you buy a part herd and try to start out small and work your way into a quota system, it is pretty near impossible to develop or acquire a new quota. We are starting: this is the initial step towards licensing in the farming business. You are creating an artificial value for quotas. I have long been one who thought that the quota system in the fluid milk business in and around the cities in the watershed area is an area in which quotas themselves have created an artificial value for the right to produce. I do not really think that the Department of Agriculture should be engaged in the business of creating artificial values and making it more difficult for young farmers to get into the business.

I think the Department of Agriculture should in the years ahead and in this year's estimates, and under the new format—and the Minister says there are going to be less votes but more details.

Mr. Olson: More information, yes.

[Interpretation]

en vertu de la Loi sur les compagnies. Cette décision fait suite à une recommandation que la Commission a faite à sa séance du 14 février.

M. Douglas (Assiniboia): Merci, monsieur le président.

Le président: Merci, monsieur Douglas.

M. Horner: Monsieur le président, je m'intéressais surtout aux remarques du Ministre et essayais de suivre ses chiffres et je n'ai pas vu la réduction de 11 millions de dollars en observant la nouvelle façon de présenter les crédits. Enfin, il se peut qu'elle y soit mais je ne l'ai pas vu.

Ce que je voulais dire ne concerne pas les chiffres mais les gens. Les gens dont le ministère de l'Agriculture et le Comité agricole devraient se préoccuper sont les cultivateurs particuliers, ceux qui s'engagent activement dans l'agriculture. Nous constatons de nos jours qu'il y a au pays, et à l'étranger, une mécanisation croissante et une tendance de plus en plus forte au regroupement des populations. Mais, nous déplaçons les gens sans nous préoccuper de leur sort.

Par exemple, la Commission canadienne du lait a décidé tout d'un coup qu'on ne peut pas obtenir un contingentement si on ne produit pas 35,000 livres de lait. Le fermier qui achète un petit troupeau et qui utilise le système des contingentements se heurtera à un moment donné à l'impossibilité d'obtenir de nouveaux contingentements. C'est le début des mises à pied dans l'industrie agricole. Vous créez une valeur artificielle pour les contingentements. Pour ma part, je crois que le système des contingentements dans l'industrie du lait liquide, lorsqu'il s'applique aux villes et dans un bassin déterminé, a créé dans cette région même une hiérarchie artificielle des valeurs affectant le droit de produire.

Le ministre de l'Agriculture ne devrait pas s'occuper d'établir des valeurs artificielles, rendant ainsi plus difficile à des jeunes cultivateurs de s'implanter dans l'agriculture.

Le ministère de l'Agriculture devrait à l'avenir se pencher sur ce problème. Le ministre prétend qu'il y aura moins de crédits mais plus de détails dans la nouvelle présentation.

M. Olson: Il y aura plus d'information, en effet.

[Texte]

Mr. Horner: This may be so. I think the Committees though and I hope that I and the rest of the Committee members will be concerned with the individual, the human being on the farm today. There is too much concern for the industry at large, the industry *per se*, but not enough concern for the individual engaged in the industry.

We have recently seen a great description of...

The Chairman: Will you come to your question, Mr. Horner, please.

Mr. Horner: I am making an opening statement on Item 1 of the agricultural estimates, Mr. Chairman.

The Chairman: I beg your pardon.

Mr. Horner: I did not intend to ask a question at this time. I will deal with questions later on. I am really concerned about the agricultural industry and the effects the department's initiative will lead the farmer towards in the regional development aspect. The description of farmers in Prince Edward Island, for example, two weeks ago in *Times* magazine really concerns me if they are going to shuffle and move farmers about. They were going to be great: they were going to allow the farmer to live on one acre of land if he wanted to remain in the same house, but that would be all, they were not really concerned about the individual. There is a growing feeling in the Department of Agriculture and across the country that agriculture is the real sick calf of Canada, and if we can cure all the agricultural ills, all Canadian economic ills will be cured. This is evident and why they are pilot projecting Prince Edward Island to quite an extent; that if they cure the agricultural ills of that province, then it will be on sound footing.

I want the department to concern itself in the year ahead and in the years ahead more with the individuals on the farms in the

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agricultural industry, not particularly with the overall aspects of the agricultural industry as an entity in itself. It is not an entity. It is composed of a number of individuals, a number of individuals who may well want to carry on their enterprise as poorly as they like or as efficiently as they like. This is a free country.

[Interprétation]

Mr. Horner: C'est possible et j'espère que mes collègues du comité se préoccuperont de l'individu, de l'être humain qui s'occupe de l'agriculture. On se préoccupe trop de l'industrie en général, de l'industrie en tant que telle mais pas assez de l'individu qui s'engage dans l'agriculture.

On nous a fait récemment une grande description...

Le président: Au fait, s'il vous plaît.

Mr. Horner: Je fais une déclaration sur le poste 1 des crédits pour l'agriculture, monsieur le président.

Le président: Je vous demande pardon.

Mr. Horner: Je n'avais pas l'intention de poser une question à ce moment-ci. Je le ferai plus tard. Je me préoccupe de l'industrie agricole et des conséquences de l'action du ministère sur le développement régional de l'agriculture. Je pense aux cultivateurs de l'Île-du-Prince-Édouard, dont on a décrit la situation dans le magazine *Time*. Imaginez! On allait forcer le cultivateur à habiter un terrain d'un acre, s'il désirait demeurer dans la même maison. On ne se préoccupe pas assez du particulier. On a de plus en plus la conviction, au ministère et à travers le pays, que l'agriculture canadienne est bien malade. Si on peut régler tous les problèmes agricoles, tous nos problèmes économiques seront réglés. C'est évident. Je me demande pourquoi tous ces chambardements sur l'Île-du-Prince-Édouard. Si on rétablit l'agriculture de cette province, l'économie de cette région reposera sur une base beaucoup plus solide.

Le ministère devrait se préoccuper davantage des particuliers qui travaillent dans l'agriculture. L'agriculture ne doit pas être con-

sidérée de façon globale, car elle est constituée d'un certain nombre de particuliers qui aimeraient pouvoir poursuivre leurs entreprises comme ils l'entendent, avec des moyens simples ou développés, selon leur goût. C'est un pays libre, n'est-ce pas? Nous voyons une tendance nouvelle dans la façon de traiter les Indiens. Je prends cela comme exemple. Nous disons qu'il faut leur donner plus d'autorité, qu'ils doivent conduire leurs propres affaires, être riche ou pauvre à leur guise; mais pendant ce temps, nous avons au ministère de l'agriculture une tendance à restreindre la liberté de l'individu.

[Text]

We are seeing a growing trend in the handling of the Indians, and I just use this as an example. Suddenly we say we got to give them more authority to run their own affairs, to go broke if they like or make a success if they like, but give them more authority; while all the while we see a continual drift in the Department of Agriculture to restrict the individual's authority, that if he is not making money, then he has to go. If he is not producing 35,000 pounds of milk or the equivalent in cream, then he has to go. He cannot have a quota, or he should not be given a quota.

We see this drift. The hog position is becoming the same. The Farm Credit Corporation position is becoming the same. If you are not a big farmer, if you cannot take advantage of \$100,000 or \$40,000 as an individual, you are not wanted in the agricultural industry anymore. You are a kind of a drug on the market, and if we could just get you out, the whole industry would be better off without you. This is the atmosphere into which I see the Department of Agriculture evolving.

As an individual I object strongly to this, and as a farmer I object strongly to it. I believe that the farmer should be able to engage in business in a manner in which, of course, it is most successful to him. But what are we all looking for? We are looking for happiness and contentment, not \$1 million perhaps, or not \$1 million worth of debt perhaps. And this is one thing the Department of Agriculture has to bear in mind. To me agriculture and farming might well become a business, but it is still going to be a way of life, and should be a way of life.

Some mention has been made of the Canada Grains Council, and I want to speak to that because I noticed in the Department's estimates there is \$100,000 awarded towards it, and the Department of Trade and Commerce there is another \$100,000 appropriated towards it. That is \$200,000. I think these figures are accurate. It may be only \$50,000 and \$50,000. It is either one or the other, but it is not very much. The point I am making is that it is not very much.

We were told this morning it is not a full-time job. I never thought for a minute it was. They appointed something like 27 people towards it.

Well, you can imagine that the administrative costs of the Canada Grains Council are going to consume all the money the federal government is appropriating towards it. Who is going to cover the travelling expense? Who is going to pick up the research aspect of the Canada Grains Council? Who is going to pick

[Interpretation]

Nous préconisons plus d'autorité pour les Indiens, plus de pouvoirs mais nous voyons entre-temps le ministère de l'Agriculture qui restreint l'autorité de l'individu. Alors, s'il ne fait pas d'argent, il doit abandonner l'agriculture. S'il ne peut pas produire 35,000 livres de lait ou l'équivalent en crème, il doit renoncer à ses entreprises. On ne lui fixe pas de quote-part.

Nous voyons que c'est cela qui se passe. La Société du crédit agricole est victime de la même tendance. Si vous n'êtes pas un gros cultivateur, si vous ne pouvez pas produire \$100,000 ou \$40,000, on n'a plus besoin de vous au sein de l'agriculture. Alors, vous êtes un boulet au pied de l'industrie qui se portera mieux lorsque vous l'aurez quittée. Je vois que le ministère de l'Agriculture évolue vers cette tendance.

En tant que particulier, je m'oppose énergiquement à cette tendance tout comme le cultivateur. Le cultivateur devrait pouvoir se consacrer à cette entreprise de la façon qui lui apporterait le plus de succès. Mais, qu'attendons-nous tous? Nous cherchons le bonheur et la satisfaction, et non pas 1 million ni \$1 million de dettes. Et voilà un facteur que ne doit pas perdre de vue le ministère et l'agriculture pourrait bien devenir une entreprise mais ce sera toujours une façon de vivre.

On a parlé de la Commission canadienne des céréales et je veux en parler parce que le ministère lui accorde \$100,000 et le ministère du Commerce accorde aussi \$100,000. Voilà qui fait \$200,000 et je pense que mes chiffres sont exacts. Peut-être qu'il s'agit de deux subventions: \$50,000 et \$50,000. Mais cela ne suffit pas; cet argent ne suffit pas.

Ce n'est pas un travail à plein temps bien que le ministre ait laissé entendre le contraire. Cet argent consacré ici engagera 27 personnes.

Vous pouvez imaginer les frais administratifs de cette commission qui va absorber toutes les sommes qui sont affectées par le gouvernement fédéral. Qui va payer les frais de déplacement, qui va financer les recherches de la Commission, qui va financer les expansions et la promotion des marchés autant de

[Texte]

up the development of markets, and the promotional aspect of markets that the Canada Grains Council is supposed to do? These are the questions that I am going to be confronted with because as a grain producer I firmly believe that I am not getting enough for my grain right now.

I do not believe the government should come along and add on another body. It may be a productive body, but no real farmer is on that council. I have the fullest regard and the fullest respect for Mr. Runciman, but he is not a farmer as such. He is not an actively engaged farmer. He is engaged in handling the farmer's part, but the elevator companies have not really played a full part in handling the farmer's products. They should be out selling it, themselves, as elevator companies. I have always thought that. They are actually just storing the farmer's product; that is, in a sense, what they are really doing.

I say to the Committee that, if it is the intention of the Department of Agriculture to pay so much to the Canada Grains Council and hope to get the rest on a percentage basis or a bushel basis from the farmer himself, they should go carefully. The farmer has seen costs added on, built into the cost of producing his product, and marketing his product, to the point where there is a very little left for himself to live on, particularly in light of the restricted amount of that product which he can sell. And so I say to the Committee that we should look at this particular aspect of the Canada Grains Council very closely.

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While it may be a productive body in a sense, it has to prove itself, and unless it is worth three or four cents a bushel, we should not tax the farmer with that three or four cents a bushel. Unless it can be worth more than that three or four cents a bushel to the farmer, we should not tax the farmer with that three or four cents.

I wanted to say just a word or two about the hog marketing grades. We see them working to some extent successfully, but here again they are not designed to help the individual farmer. When they were introduced here last fall I said I would take a close look at them, but I suspected that they would help the commercial hog producer, the integrated hog producer far more than they might help the individual farmer. And I suggested that we are reaching a grain surplus in western Canada which would see many farmers get into the hog business in order to move their grain. But they may not be the most efficient hog producers, although they are the most efficient grain producers. And this new

[Interprétation]

choses que doit entreprendre le conseil. Voilà la chose qui me préoccupe parce qu'à titre de producteur de céréales, je ne crois pas recevoir assez pour mes céréales à l'heure actuelle.

J'estime que le gouvernement ne devrait pas instituer un autre organisme. Il peut être productif mais il n'y a aucun véritable cultivateur au sein de cette commission. J'ai tous les respects du monde pour M. Runciman, mais il n'est pas cultivateur en tant que tel. Il doit veiller aux intérêts des cultivateurs, mais les compagnies d'élevateurs n'ont pas joué le rôle qu'ils devraient pour faire écouler les céréales des cultivateurs. Elles devraient s'occuper de les vendre mais elles ne font qu'entreposer les produits du cultivateur et voilà ce qu'elles font.

Et je déclare au Comité que si le ministère de l'Agriculture a l'intention de verser de l'argent à la Commission et espère obtenir le reste en pourcentage ou en fonction des boisseaux de la part du cultivateur, il devrait être très prudent. Le cultivateur a vu relever ses frais de production et de commercialisation. Alors, il y a très peu d'argent qui lui reste si on tient compte des restrictions qui s'imposent aux produits qu'il peut vendre. Alors, je déclare au Comité que nous devrions réexaminer attentivement cet aspect de la Commission. C'est peut-être un organisme assez productif; dans un certain sens, il doit cependant

faire ses preuves. Mais s'il ne vaut pas \$0.03 ou \$0.04 le boisseau; on ne devrait pas pressurer le cultivateur.

Je tiens à dire quelques mots à propos des catégories dans la commercialisation du porc. On voit que cette formule est quelque peu heureuse mais elle ne se préoccupe pas des particuliers. Lorsqu'on a présenté le budget l'automne dernier, j'avais promis de l'examiner minutieusement mais je pensais qu'on allait aider davantage le producteur de porcs, bien plus que le cultivateur particulier. J'ai déclaré qu'il y aurait bientôt un excédent de céréales dans l'Ouest du Canada, qu'on aurait d'autres cultivateurs se lancer dans la production du porc afin d'écouler leurs céréales. Ils ne sont peut-être pas très efficaces comme producteurs de porcs mais ils le sont comme producteurs de céréales. Mais cette nouvelle

[Text]

grading system may not help a temporary hog producer.

Well, I think the new grades—we have seen enough of the new grades to convince me that I was right in that assumption, that the new grades are basically better for the commercial hog producer, for the man in the business permanently, the man who is going to be in the business permanently, the integrated businessman who is in the business with a company or in a packing plant along with a partner. They are going to help him.

But they are not really going to help the individual. And this is a trend which I point out.

In the dairy industry and in the hog business, we see that the cattleman is still an operator and an individual. But I am becoming concerned about that position too. To quite an extent it is practically impossible for the individual to get into the new breed of Charolais cattle, because the Department continually gives the permits to the established person. The person who had them last year has a far better chance of getting them this year.

This has been the pattern. Now maybe it is going to change. Maybe the new producer, the young man, is going to be allowed in on this permit business, but I doubt it. I doubt if very many will be. I think these things should be thought out.

We are going to receive a great demand in the cattle industry for a new grading system where more accent will be put on leaner beef to please the housewife. Well, this may be desirable, but I would caution the Department again about devising new grades which will make it more beneficial for the commercial operation, for the integrated operation, and make it more difficult for the individual producer. I would caution the Department because this seems to be a growing trend.

I end on the remarks with which I began in saying that I want the Department to concern itself more with the individual producer, rather than with the growing atmosphere of the industry itself. We are still people, human beings, engaged in, I think, the best occupation in Canada, farming and working with the land. And I think we should concern ourselves more with the individual. I thank you.

The Chairman: Thank you, Mr. Horner. I recognize Mr. Gleave.

Mr. Gleave: Mr. Chairman, like the previous speaker, I am concerned about the direction in which farming is going, how it is going to affect the people in the industry. I

[Interpretation]

formule ne peut pas aider les producteurs temporaires de porcs. La nouvelle formule est plus avantageuse pour l'éleveur de porcs, mais l'homme d'affaires qui s'associe à une entreprise ou à une conserverie mérite aussi de l'aide.

Mais cela ne va pas aider les cultivateurs particuliers et c'est la tendance que je veux souligner.

Dans l'industrie laitière et celle de l'élevage des porcs, on constate que l'éleveur aussi est aussi exploitant que particulier. Mais je me préoccupe de cette attitude aussi. L'individu, dans une certaine mesure, ne peut pas s'engager dans l'élevage d'une nouvelle race comme le Charolais parce que le Ministère accorde les permis aux déjà installés. Ceux qui étaient installés l'année dernière ont meilleure chance cette année.

Cela va peut-être changer. Le nouveau producteur, le jeune ne pourra pas s'astreindre à ce régime de permis. Jen doute. On devrait réfléchir à ces choses...

L'industrie du bétail nous demande instamment un nouveau système de cotation où l'on mettra davantage l'accent sur le bœuf plus maigre pour plaire à la ménagère. Voilà qui est peut-être souhaitable mais je mets en garde le ministère contre toutes formes de classification qui seraient à l'avantage d'une exploitation commerciale, d'une exploitation intégrée, et qui rendra les choses plus difficiles aux producteurs individuels. Je mets en garde le ministère contre cette tendance, cette tendance qui est croissante à mon avis.

Et je conclus là où j'ai commencé en disant que je veux que le ministère se préoccupe davantage du particulier plutôt que de la tendance générale de l'industrie. Nous sommes des gens, des êtres humains qui sont consacrés la meilleure profession au Canada, la profession agricole. Nous devrions nous préoccuper davantage de ces gens-là.

Le président: Merci M. Horner. M. Gleave.

M. Gleave: Monsieur le président, comme le préopinant, je m'intéresse aussi de l'orientation de l'agriculture et de ses effets sur l'industrie. Je m'intéresse de savoir quel effet,

[Texte]

am concerned about the specific moves which are proposed here, and how they are going to affect the farmer. We have a proposal to set up a Canada grains council. At the same time we have a task force issuing a report which says that 30 per cent, practically one-third, of our acreage in western Canada must come out of our present grains practice, that is, the production of bread wheat.

And we have a grains council which is going to be very influential in this area—let us make no mistake about it—according to the statement of these who have been set to head it up, Mr. Runciman and Mr. Heffelfinger. They say their proper areas of concern shall be production, varieties, research and marketing, to go straight to the core of the whole farming industry in western Canada.

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It is proposed to set this council up, not by an Act of Parliament, but by Letters Patent. What this Committee should be concerned about is the clear line of responsibility of this proposed council. We should be concerned who they are reporting to, and whether the reports of that council are going to come before this Committee and before Parliament to be examined.

I fully expect the government intends to use the findings of this council on research and marketing as guidelines for the farming policy and the farming future of western Canada. These decisions should be made, when they affect a spectrum of people as broad as this, by the people who are responsible to the farmers of western Canada.

In regard to the financing, this is not yet clear. I suppose it will be as we on. I regard the present proposal, the \$180,000, as an interim measure.

We are faced with change in our farming structure, and what change is going to do the people in that farming structure is most important. We have had the report of the operations of the Canadian Dairy Commission and responsible people in that commission have said that the surplus is coming not from the small farmer but from the larger operators. Yet it is the small farmer that is coming under pressure, as pointed out by the previous speaker. Now are we going to have the same thing in the farming industry regarding grain?

We see in the hog business that one grain company is establishing a plant down on the coast which is going to, if I remember the figures, produce 25,000 hogs a year. What is

[Interprétation]

quelle répercussion cela va avoir sur les gens et comment les nouvelles formules, les nouvelles mesures vont toucher l'agriculteur. Nous avons une proposition qui veut établir un conseil des grains. Nous avons une équipe de travail qui nous donne un rapport disant que dans 30 p. 100, $\frac{1}{3}$ des terres, cultivateurs dans l'Ouest du Canada, on doit abandonner les pratiques actuelles de la culture, c'est-à-dire le blé.

Le Conseil des grains qui sera établi aura beaucoup d'influence dans ce secteur; il n'y a pas à s'y tromper. D'après ceux qui vont les diriger, MM. Runciman et Heffelfinger. Ils disent qu'ils s'intéresseront surtout à la production, aux variétés, à la recherche et à la commercialisation; cela va droit au cœur de l'industrie agricole de l'ouest du Canada.

Et on propose d'établir ce Conseil non pas par un acte parlementaire mais en vertu de lettres patentes. Mais le Comité doit surtout s'intéresser, à mon avis, aux responsabilités, aux attributions de cette commission. Nous devons nous préoccuper de leur compétence et à qui ils doivent rendre compte et savoir s'ils doivent faire rapport au Comité et au Parlement. Ils ont aussi donner leurs données sur la recherche et sur la commercialisation. J'espère que le gouvernement va utiliser ces données pour établir les principes directeurs d'une politique agricole et de l'avenir agricole de l'ouest du Canada. Ces décisions doivent être prises, lorsqu'elles touchent un si grand nombre de gens, par les personnes qui doivent rendre compte aux cultivateurs de l'ouest du Canada.

Pour ce qui est du financement, les choses ne sont pas encore tirées au clair. Je crois que la proposition actuelle de cent milles dollars est une mesure intérimaire.

Mais nous sommes aux prises avec le changement dans notre structure agricole, et l'effet qu'aura ce changement sur les gens qui s'y trouvent est ce qui compte le plus. Nous avons eu le rapport des exploitations de la Commission canadienne du lait et aux dires de personnes responsables dans cette Commission, les excédents ne viennent pas du petit cultivateur, mais du gros. Encore est-ce le petit cultivateur qui est sous pression comme l'a signalé l'Orateur précédent. Allons-nous avoir la même chose dans l'industrie agricoles au sujet des grains?

Nous voyons dans le commerce des porcs, qu'une entreprise de grains va établir, sur la côte ouest, une exploitation qui produira, si je me souviens bien, vingt-cinq milles porcs

[Text]

this going to do to the Alberta hog industry, or to the Saskatchewan hog industry? I mention Alberta because much of their production does flow in that direction. Who is going to make their living out of the farming industry. Is it going to be dominated by big industry, or is it going to be taken over and controlled by the farmers? Are the farmers themselves going to have the say-so in their future destiny?

These are the real questions that are facing farmers today and I think these are facing them whether they are farming in western Canada or in Ontario. I think that when the National Farmers Union comes before this body I would be willing to bet a nickel to the hole in a doughnut that they will be talking in part about this very thing.

We need answers from a government which proposes to set up a national grains council offset from control of this government and this committee. We need answers to know what is going on. We are not going to meet the problems of farming and agriculture in isolation from the rest of the Canadian community. Farming does not operate in isolation from the effects of the Canadian economy as a whole. The action of the Canadian economy as a whole towards industrialization and centralization is affecting the farming industry, and the farming industry is going to have to live with it. And we are going to have to be concerned that we come out of it with the kind of a farm structure that will serve the people who are on the land and will serve all Canadians.

I am not too sure that this is the real direction in which we are heading, Mr. Chairman.

The Chairman: Thank you, Mr. Gleave. I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, rather than make a general statement I would like to take advantage of this opportunity to pose a series of short questions to the Chairman and wit-

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nesses here this morning for clarification purposes and a better understanding of how this series of investigations into the estimates of the Department of Agriculture are to be carried on.

Since this is a new departure and we are operating under the new rules, and since we have without objection entertained the request of the National Farmers Union to make a presentation this morning, it occurred to me that perhaps we might adopt a policy, when we are discussing the estimates under a particular vote that is directly connected with a farm commodity group on perhaps a nation-

[Interpretation]

par an. Quel effet cela va-t-il avoir sur l'exploitation des porcs de l'Alberta ou de la Saskatchewan, mais surtout de la Saskatchewan parce que la plupart de leur production est justement dans ce secteur. Qui va pouvoir faire sa vie avec l'exploitation agricole? Sera-t-elle dominée par la grosse industrie, sera-t-elle reprise et contrôlée par les cultivateurs? Est-ce que les cultivateurs, eux-mêmes, vont avoir leur mot à dire quant à leur avenir?

Ce sont là les questions qui confrontent les cultivateurs à l'heure actuelle, qu'ils soient cultivateurs dans l'Ouest ou dans l'Ontario. Lorsque le Syndicat national des cultivateurs comparaitra, je suis prêt à parier que ses représentants aborderont, en partie, ce sujet.

A mon avis, il nous faut des réponses d'un gouvernement qui propose d'établir un conseil national du grain qui ne serait contrôlé ni par le gouvernement ni par le présent Comité. Il nous faut des réponses pour savoir ce qui se passe parce que nous n'allons pas envisager les problèmes de l'exploitation agricole de l'agriculture en les isolant du reste de la communauté canadienne. Après tout, l'agriculteur n'exploite pas isolément des effets de l'économie canadienne dans son ensemble. L'action de l'économie canadienne dans son ensemble vis à vis l'industrialisation et la centralisation touche l'industrie agricole, et celle-ci devra s'y soumettre. Nous devons nous inquiéter d'en ressortir avec une structure agricole de nature à servir l'agriculteur et les Canadiens en général.

Je ne suis pas trop certain de l'orientation actuelle, monsieur le président.

Le président: Merci, monsieur Gleave. M. Danforth maintenant.

M. Danforth: Monsieur le président, au lieu de faire une déclaration d'ordre général, j'aimerais profiter de l'occasion pour poser une série de brèves questions au président et aux

témoins qui sont ici ce matin pour obtenir des éclaircissements et pour mieux comprendre comment toutes ces enquêtes sur les prévisions budgétaires du ministère de l'Agriculture vont être faites.

Puisque voilà une nouvelle initiative et que nous siégeons selon les nouvelles règles, et puisque nous avons fait bon accueil à la demande du Syndicat national des cultivateurs qui veut faire un exposé au Comité ce matin, il me semble que nous pourrions peut-être adopter une politique selon laquelle, lorsque nous discutons des prévisions budgétaires au sujet d'un crédit de particulier qui a direc-

[Texte]

al basis, that the committee consider inviting representatives from the agriculture group concerned to meet with this in conjunction with the Department of Agriculture in order that we might first hand ascertain the direct effect of the government's policy on the agricultural commodity, and by an exchange of views between the commodity group and the department itself be able to make a determination as a Committee on future recommendations to the government. I am wondering, Mr. Chairman, if this might not be considered.

Then, too, I wonder if we might not consider going into depth on this particular series of estimates before us because, as the Minister pointed out, they are different and the emphasis is perhaps moving in a different direction than formerly.

I was very interested in the indication of the Minister that emphasis is being placed on the computer system, for example, and I am wondering in the process of our deliberations if we might not have the officials directly responsible for setting up this particular aspect appear before us and perhaps give us a demonstration of the way it is proposed to use the computer system and how it could directly affect an individual farmer by perhaps a graphic illustration which the Committee might be able to observe first hand—because, Mr. Chairman, I believe that if this system is to be successful and it can be demonstrated to the satisfaction of all the Committee members that it is going to be to the advantage of farmers, we ourselves then will be able to indicate to the farmers we represent how it might be used to advantage.

I am wondering, Mr. Chairman, if suggestions of this sort might not be considered. I would place special emphasis on the change in our Committee hearings since the estimates are now moved from the House. I would ask that we have dual witnesses present whenever possible in order that we as a committee might hear both sides of the story, thereby being more able to form a more sound judgment on the recommendations we might be prepared to make to the government.

The Chairman: Mr. Danforth, the Committee is its own master and we are at liberty to direct our own proceedings. If there is some observation that some other member of the Committee wishes to make on how we should proceed, we are quite prepared to hear them.

[Interprétation]

tement trait à un groupe de denrées agricoles peut-être sur une base nationale, le Comité songe à inviter les représentants du groupe agricole en cause à envisager le sujet de concert avec les fonctionnaires du ministère de l'Agriculture afin que nous puissions nous rendre compte de première main de l'effet direct de la politique du gouvernement sur les denrées agricoles et échanger des opinions pour pouvoir, à titre de Comité, décider des recommandations qui devront être faites à l'avenir au gouvernement.

Je me demande, monsieur le président, si on ne doit pas songer.

Je me demande également si nous ne pourrions pas étudier à fond cette série particulière de prévisions budgétaires dont nous sommes saisis, parce que, comme le ministre l'a dit, elles sont différentes et on met peut-être l'accent sur autre chose.

Je suis très intéressé par les propos du ministre, savoir qu'on met l'accent sur le système d'ordinateurs, par exemple, et je me demande si, au cours de nos délibérations, nous ne pourrions pas faire comparaître devant nous les fonctionnaires directement responsables de l'établissement de ce système, et leur faire donner une démonstration de la façon dont on entend utiliser ce système d'ordinateurs et de la manière dont il touchera directement un agriculteur particulier, en nous donnant peut-être une illustration graphique que le Comité pourrait observer de première main, car, monsieur le président, si le système doit réussir et si on peut convaincre tous les membres du Comité qu'il profitera aux cultivateurs, nous serons en mesure d'indiquer à nos commettants la manière dont il peut leur être profitable.

Je me demande, monsieur le président, si des propositions de cette nature peuvent être étudiées. Je mettrais un accent spécial sur le changement dans nos séances de Comité maintenant que les prévisions budgétaires nous sont renvoyées de la Chambre. Je demande que nous fassions comparaître simultanément les témoins en question lorsque c'est possible, pour que nous puissions en tant que Comité, entendre les deux versions de l'histoire et prendre ensuite des décisions beaucoup plus saines et logiques sur les recommandations que nous serions disposés à présenter au gouvernement.

Le président: Monsieur Danforth, le Comité est libre de conduire ses propres délibérations. Si quelque autre membre a des commentaires à faire sur note façon quant à la marche à suivre, nous sommes prêts à les entendre.

[Text]

Mr. Whicher: Mr. Chairman, might I ask just a supplementary to Mr. Danforth's question?

The Chairman: Mr. Whicher.

Mr. Whicher: For example, when we talk about research will we have the research people here?

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): Mr. Chairman, when any vote is underway the officials responsible for the administration of that particular vote will be available, always provided that we have sufficient notice. But they will be on call and will be available, yes.

Mr. Whicher: Might I ask in respect of research, so that you will have notice, that whoever is responsible for the research in respect of Latham raspberries be on hand, please.

Mr. Williams: That certainly can be arranged, yes.

Mr. Douglas: As a matter of procedure, Mr. Chairman, do you not think it is about time we dealt with the motion in regard to the wheat pool request.

The Chairman: Your point is well taken. I am not under any real pressure because the National Farmers Union is not present as yet.

Mr. Danforth: Mr. Chairman, I am prepared to stand the questions I had at the present time if you wish to proceed with this other matter before the Committee.

The Chairman: I have on my list Mr. Côté and Mr. Pringle. Since the National Farmers Union is not here I think probably we could hear two more questioners and then go directly to the motion before us, which has been deferred at the moment. Is that the wish of the Committee.

An hon. Member: Agreed.

Mr. Horner: It is 10.30, Mr. Chairman.

Mr. Danforth: Mr. Chairman, if you are going to proceed to other speakers then I shall withdraw my proposition that I stand the remainder of my questions. I understood that you wished a discussion on this amendment, that it might be a protracted one, and this is why I made my offer to the Committee.

The Chairman: There seems to be some disposition on the part of the Committee to deal with the motion which was presented earlier and deferred until 10.30.

[Interpretation]

M. Whicher: Monsieur le président, puis-je ajouter une question supplémentaire à celle de M. Danforth?

Le président: M. Whicher.

M. Whicher: Lorsque nous parlerons de recherches, ferons-nous venir les chercheurs?

M. S. B. Williams (sous-ministre de l'Agriculture): Monsieur le président, quand un crédit est à l'étude, les fonctionnaires chargés de l'administration de ce crédit seront toujours disponibles pourvu qu'ils soient notifiés suffisamment à l'avance, mais ils sont toujours disponibles, oui.

M. Whicher: Puis-je demander, quand il sera question de recherches, vous en serez ainsi avertis, que quiconque est chargé de la recherche sur les framboises Latham soit présent au Comité?

M. Williams: Cela peut certainement s'arranger.

M. Douglas: Comme question de procédure, monsieur le président, ne croyez-vous pas qu'il serait à peu près temps que nous traitions la proposition relative à la demande du syndicat de placement du blé.

Le président: Votre point est bien reçu. Il n'y a pas de pression d'exercée, parce que le Syndicat national des cultivateurs n'est pas encore ici.

M. Danforth: Monsieur le président, je suis disposé à réserver les questions que j'ai à poser, si vous désirez continuer avec l'autre question dont est saisi le Comité.

Le président: J'ai sur ma liste Messieurs Côté et Pringle. Puisque le Syndicat national des cultivateurs n'est pas ici, peut-être pourrions-nous entendre deux autres interlocuteurs et passer ensuite directement à la proposition. Le Comité est-il d'accord?

Une voix: D'accord.

M. Horner: Il est 10h. 30, monsieur le président.

M. Danforth: Si vous êtes pour passer à d'autres membres alors, je vais retirer la proposition de réserver le reste de mes questions. Je croyais que vous vouliez discuter de l'amendement et c'est pour ça que j'ai offert de passer outre à mes questions.

Le président: Le Comité semble disposé à passer directement à la proposition qui nous a été soumise plus tôt et déferée jusqu'à 10:30.

[Texte]

Mr. Muir (Lisgar): May I speak to this, Mr. Chairman?

The Chairman: May I read the motion and then indicate to you what the feelings of the steering committee were? Then we will throw it open for discussion. Is that reasonable?

The motion is:

That this Committee ask leave of the House to travel from place to place in Western Canada from the 14th of April, 1969, to the 20th of April, 1969.

And further, that its principal purpose shall be to examine the circumstances of the grain industry as it exists in that area, and that the Clerk of the Committee and the necessary supporting staff do accompany the Committee.

The steering committee met yesterday to discuss the invitation that was extended to us some time ago by the Saskatchewan Wheat Pool. There seemed to be general agreement that in informal discussions the subcommittee has considered the possibility of the Committee's travelling to Western Canada and because of circumstances beyond our control it is not possible to consider this travel for the time contemplated, namely mid-April, and accordingly the matter is deferred. By way of further explanation I may tell you that it has been decided, I suppose by the House Leader or by the government, that one committee could be away at any one time.

The Fisheries Committee had made plans and are leaving Ottawa on April 19. I am not sure when they will be back. Our trip was planned for April 13 or 14, coming back roughly April 22, as we felt that was the shortest amount of time that we could use to do justice to a western trip. In view of the fact that there cannot be overlapping of committees when they are away, the steering committee suggested that probably this matter of the Agricultural Committee going West or East should be deferred for the time being. That is the explanation. I will recognize other speakers but I think Mr. Pringle wanted to speak to the motion.

Mr. Gleave: Mr. Chairman, may I be permitted, as mover of the motion, to offer some explanation...

Mr. Horner: On a point of order, if I might, Mr. Chairman, the steering committee has no right to defer a suggestion. It has the right to suggest a deferment to the Committee; that is all. But if I heard you correctly you said the matter has been deferred. You have the right as the Chairman of the steering committee and the Chairman of this meeting to suggest

[Interprétation]

M. Muir (Lisgar): Puis-je parler sur ce sujet, monsieur le président?

Le président: Puis-je d'abord lire la motion et vous dire ensuite quelle était l'opinion du sous-comité? Nous passerons ensuite au débat. Cela vous convient-il?

La motion est la suivante:

Que le Comité demande à la Chambre permission de se déplacer à travers l'Ouest du Canada du 14 avril 1969 au 20 avril 1969.

Et, de plus, que l'objet principal du Comité soit d'examiner la situation de l'industrie céréalière dans cette région, et que le secrétaire du Comité ainsi que le personnel de soutien nécessaire, accompagnent le Comité.

Le comité de direction s'est réuni hier pour parler de l'invitation que nous avons reçue, il y a quelque temps, du *Wheat Pool* de la Saskatchewan. Il semblait, par accord unanime, que, lors d'entretiens officiels, le sous-comité avait envisagé la possibilité que le Comité se déplaçât à travers l'Ouest du Canada, mais que, pour des raisons indépendantes de notre volonté, ce voyage ne pourrait se faire aux dates envisagées, à savoir, à la mi-avril, et que la question serait donc remise à plus tard. Je pourrais ajouter qu'il a été décidé, sans doute par le leader de la Chambre ou par le gouvernement, qu'un seul comité pourrait s'absenter à la fois.

Le Comité des pêcheries avait déjà des projets, et il quitte Ottawa le 19 avril. Je ne sais pas exactement quand il reviendra. Nous avions projeté de voyager du 13 ou 14 avril au 22 avril environ, car nous estimions que c'était vraiment un minimum de temps à consacrer à un voyage dans l'Ouest. Puisqu'il ne peut pas y avoir deux comités absents à la fois, le comité de direction a décidé que l'on remette à plus tard ce voyage dans l'Ouest ou dans l'Est, du Comité de l'agriculture. Voilà l'explication. Je donnerai ensuite la parole à d'autres membres du Comité, mais je crois que M. Pringle a des observations à faire au sujet de la motion.

M. Gleave: Monsieur le président, puisque c'est moi qui ai présenté la motion, puis-je donner quelques explications...

M. Horner: Si vous me permettez un rappel au Règlement, monsieur le président, le comité de direction n'a pas le droit de différer une proposition. Il peut proposer au Comité de remettre la chose à plus tard; c'est tout. Mais, si j'ai bien compris, vous avez dit que la question avait été remise à plus tard. Vous avez le droit, en tant que président du Comité

[Text]

that the Committee defer the trip, but the final decision rests with this Committee. I urge all members in the studying of this problem to consider it not deferred as yet—not deferred as yet—but possible—possible—until we all have discussed the whole matter.

The Chairman: That is the purpose of presenting the report of the subcommittee; it is only a recommendation to the general Committee and the decision is the decision of this Committee as now constituted.

Mr. Gleave: May I have the privilege, Mr. Chairman?

The Chairman: I think as the mover of the motion we should recognize you.

Mr. Gleave: Thank you. The request from the Saskatchewan Wheat Pool came to us immediately after the Christmas-New Year's

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recess on January 14, 1969. On January 16, it was discussed by the steering committee and the Chairman pointed out that such an invitation had been received and a special committee at that time was constituted, with Mr. Lessard as Chairman, to consider the ways and means—I think this would be the proper way to put it—by which we could meet the request of the Saskatchewan Wheat Pool. We were thinking in terms, of course, of a little wider scope than just Saskatchewan. Now, what has happened in the meantime is that the Saskatchewan Wheat Pool has gone forward with a lot of tentative arrangements on the assumption, rightly or wrongly, that this Committee was going to come to Western Canada and that it was going to look into the grain situation as it existed there.

What I want to point out to this Committee is that if we do not follow through, even for the limited time that I have put forward in my motion, there will be a great deal of disappointment. I would not think that it would be in the interest of this Committee that the people of Saskatchewan should come to the conclusion that this Committee was not really interested enough in their problems to come and take a look. This is primarily the reason why I moved the motion. I do not need to go at great length into the situation that exists. The problem of how to condition grain, the marketing problem and the transportation problem have all been discussed, and what the farmers of Western Canada, and the farmers of Saskatchewan in particular, really are asking is that this Committee

[Interpretation]

et du comité de direction, de proposer que le Comité remette le voyage à plus tard, mais la décision finale est entre les mains du Comité. J'encourage vivement tous les membres du Comité, lorsqu'ils étudieront ce problème, à considérer le projet non comme remis à plus tard, mais comme possible, jusqu'à ce que nous ayons tous débattu la question.

Le président: C'est justement là le but de la présentation du rapport du sous-comité; ce n'est qu'une recommandation au Comité, et c'est au Comité qu'il appartient de prendre la décision.

M. Gleave: Puis-je avoir la parole, monsieur le président?

Le président: Je pense que, puisque c'est vous qui avez présenté la motion, nous devrions vous donner la parole.

M. Gleave: Merci. L'invitation du *Wheat Pool* de la Saskatchewan nous est parvenue immédiatement après l'intersession de Noël et

du Jour de l'an, le 14 janvier 1969. Le 16 janvier, on en a parlé au sous-comité de direction; le président a signalé qu'une invitation avait été reçue, et l'on a alors constitué un comité spécial, sous la présidence de M. Lessard, qui avait pour tâche d'examiner les moyens de répondre à l'invitation du *Wheat Pool* de la Saskatchewan. Nous songions, bien sûr, à ne pas limiter notre voyage à la Saskatchewan. Ce qui est arrivé entre-temps, c'est que le *Wheat Pool* de la Saskatchewan a pris toutes sortes de dispositions, croyant, à tort ou à raison, que le Comité allait se rendre dans l'Ouest du Canada, et examiner la situation de l'industrie céréalière dans cette région.

Ce que je veux signaler au Comité, c'est que si nous ne nous rendons pas là-bas, même pendant la brève période que j'ai proposée dans ma motion, cela causera une grande déception. Et je ne crois pas qu'il soit de l'intérêt de notre Comité que les gens de la Saskatchewan en arrivent à conclure que le Comité ne s'intéresse pas suffisamment à leurs problèmes pour aller examiner la situation de près. C'est surtout pour cela que j'ai présenté cette motion. Je n'ai pas besoin de préciser la situation. Nous avons déjà parlé des problèmes que posent le conditionnement des céréales, la commercialisation et le transport. Ce que les agriculteurs de l'Ouest, et surtout ceux de la Saskatchewan, demandent vraiment, c'est que le Comité consacre un peu de temps à aller examiner lui-même la situation.

[Texte]

take some of its time to go and see for itself the situation that exists.

Therefore I urge, Mr. Chairman, that you give very careful consideration to doing this. I realize the point brought up by the Chairman that another committee is moving but I think we do have time. After all Saskatchewan is not on the outer edges—we are not like those astronauts up on the moon—you can fly out there in a pretty short period of time and you can fly back just about as fast.

Thank you, Mr. Chairman.

The Chairman: I think I should recognize Mr. Lessard, who was the Chairman of the subcommittee, to present his view and then I will go on with other questioners.

M. Lessard (Lac-Saint-Jean): Alors si nous faisons une revue de ce qui s'est passé à la suite de la réception de l'invitation des gens de la Saskatchewan, disons que nous avons eu une réunion comité directeur, où il a été décidé de répondre positivement et d'essayer d'organiser un voyage dans les quatre provinces de l'Ouest. Vous savez que l'an dernier, le comité de l'Agriculture a fait un voyage dans l'Ouest et qu'il devait faire un voyage dans l'Est du Canada. Ce voyage n'a pas été possible à cause de la dissolution des chambres. De toute façon, lors d'une de nos premières réunions l'automne dernier, il avait été suggéré qu'on aille dans l'Est avant d'aller dans l'Ouest, de façon à éviter les critiques des cultivateurs des différentes provinces qui prétendent que l'on accorde plus d'attention à l'agriculture de l'Ouest qu'à celle de l'Est.

Mais lorsque nous avons discuté au comité directeur, de cette possibilité d'aller en voyage, à la suite de cette invitation des gens de la Saskatchewan, j'ai rencontré plusieurs députés des Maritimes et consulté certaines organisations de l'Est du Canada pour connaître leurs réactions au voyage du Comité de l'agriculture dans l'Ouest d'abord. Y avait-il des obstacles à ce que comité aille dans l'Ouest du Canada, au mois de mars, par exemple?

La réponse des gens de l'Est du Canada a été unanime. Ils ne sont pas intéressés à ce que nous allions dans l'Est au mois de mars parce que disent-ils, ils ne pourront pas nous montrer dans le champ même les problèmes qu'ils ont. Ils sont bien d'accord pour nous parler autour d'une table, comme ici, mais ce n'est pas uniquement cela qu'ils veulent nous faire voir, et je pense que ce n'est pas uniquement cela que les membres du comité

[Interprétation]

C'est pour cela, monsieur le président, je vous demande de songer à la chose très sérieusement. Je comprends bien ce qu'a signalé le président, à savoir, qu'un autre comité va se déplacer, mais je pense que nous avons suffisamment de temps. Après tout, la Saskatchewan n'est pas à l'autre bout du monde—nous ne sommes pas comme les astronautes dans la lune—et nous pouvons aller là-bas en avion en fort peu de temps et en revenir tout aussi vite.

Merci, monsieur le président.

Le président: Je vais donner la parole à M. Lessard, qui était président du sous-comité. Je vais lui demander de nous donner son avis, puis nous passerons aux autres questions.

Mr. Lessard: Thank you, Mr. Chairman. If we review what went on after the invitation of the Saskatchewan people, we had a Steering Committee meeting where it was decided that we would reply positively and try to organise a trip to visit the four Western Provinces. You know that last year the Agriculture Committee went West. It was supposed to make a trip in the East too, but it was countermanded because the House was dissolved. At one of our earlier meetings last fall, it was suggested that we would go to Eastern Canada before going West, so as to avoid criticism among the farmers of various provinces who claimed that we are giving more attention to the Western Provinces than to the Eastern ones.

But then when we discussed in the subcommittee the proposed trip following the Saskatchewan people's invitation I met many Maritime Provinces Members. I even consulted some of the Eastern Canada farm organizations to try and find out what would be their attitude about the Agricultural Committee going West before going East. Did they want us to go to Eastern Canada in March, for instance?

The answer from the Eastern people was unanimous. They were not interested in us going East in March because, as they say, and I think they are right to say so, that they will not be able to show us what they want to show us on the spot—the kind of problems that they are faced with. They perfectly know they can talk to us at hearings like this one, but this is not only what they want to show us and this is not only what the Committee

[Text]

veulent eux aussi. Ils veulent également se rendre sur place voir ce qui se passe dans le champ même, les activités agricoles de l'Est.

Ayant eu cette «permission», des gens de l'Est de retarder à la fin de mai ou aux début de juin notre voyage dans les Maritimes et dans le Québec, nous pouvions alors préparer notre voyage du côté de l'Ouest. Nous avons discuté la semaine dernière du temps minimum dont nous devons disposer pour aller dans l'Ouest. Nous avons convenu qu'à moins de 9 jours, évidemment, c'est à vous de décider, il était impossible de couvrir raisonnablement les 4 provinces de l'Ouest. Nous

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avons alors demandé à la Chambre la permission de partir le 14 pour revenir le 22 ou le 23. C'est à ce moment qu'on nous a dit que nous ne pouvions partir en même temps qu'un autre comité; le Comité des pêcheries a prévu son voyage depuis déjà un bon moment. Il fut d'abord prévu qu'il partirait le 17 avril; on a demandé de retarder le départ au 19 avril et nos confrères seront donc en voyage du 19 au 27 avril.

Au sujet de la proposition de M. Gleave, à l'effet de ne partir que pour une semaine, c'est-à-dire une période plus courte que neuf jours, il est évident qu'à ce moment-là, il n'y aurait pas de conflit avec le Comité des pêcheries, du fait que nous serons de retour quand eux partiront.

Évidemment, la solution est en partie acceptable. La question qui se pose toutefois, est celle-ci: Pouvons-nous partir pour cinq jours, en passer trois en Saskatchewan car le voyage est d'une journée, dans un sens et dans l'autre, et ne pas aller au Manitoba ni en Alberta, ni en Colombie-britannique? Les fermiers des trois autres provinces seront frustrés, et pas contents des membres du Comité si nous n'allons pas les voir en même temps. C'est un point qu'on doit considérer. Maintenant, si nous allons en Saskatchewan pendant trois jours, pouvons-nous passer deux jour au Manitoba et faire un autre voyage plus tard en Alberta et en Colombie-britannique? Encore là, c'est une autre solution. Pouvons-nous obtenir la permission de faire deux voyages dans l'ouest du Canada, nous les membres du Comité de l'agriculture? En somme, vous l'avez bien dit d'ailleurs, le comité directeur n'a aucun pouvoir.

C'est tout le Comité de l'agriculture qui a, jusqu'à un certain point, des pouvoirs. C'est à nous, ensemble, de décider de demander à la Chambre la permission de voyager pendant

[Interpretation]

wants either. This is not only what the Members want. They want to see things on the spot. They want to analyse the eastern farm activities.

So, having what one might call a "permission" from the Eastern people to delay our trip until May or even early June in order to visit the Maritimes and the Province of Quebec, we now can contemplate a Western trip. Then last week we discussed the timetable for this trip. We decided that unless we had at least nine days—this, of course, is up to you decide—we could not reasonably cover the four Western provinces in less than nine days. Therefore we ask the House permission to leave from April the 14th to the 23rd. Then we were told that we could not leave at the same time as another Committee and that the Fisheries Committee has already planed its trip for a while. It was scheduled first from April 17 on. They asked them to delay it to April 19. They would be then away from April 19th to 27th.

In respect of Mr. Gleave's proposal from this morning saying that we should only leave for one week—this is shorter than nine days—five days to be precise, it is obvious that it won't be any conflict with the departure of Fisheries Committee, as we will be back before they leave.

This now becomes partly acceptable, but the question is still there: can we leave for five days, spend three days in Saskatchewan, travel one day to go there and another day to come back, and then not even visiting Manitoba, Alberta or British Columbia? Would be the farmers of the three other provinces not frustrated by this and dissatisfied with the Committee Members if we do not go to see them at the same time? This is something we have to look into. But if we go to Saskatchewan for three days and spent two days in Manitoba and make another later trip to Alberta and British Columbia, it is may be another solution. Can we obtain a permission in order to make two trips West, we the members of the Agriculture Committee? In other words, the steering committee has not decisional power of course.

It is up to the Committee to decide it, so it is up to us to decide whether we should ask the House to leave for a five days trip, even if we have to plan a further trip. This is the

[Texte]

cinq jours quitte à retourner plus tard. C'est la situation actuelle, c'est à nous ensemble de décider. Merci monsieur le président.

The Chairman: Thank you, Mr. Lessard. I want to recognize Mr. Pringle. A supplementary, Mr. Roy?

M. Roy (Laval): J'ai une question supplémentaire, monsieur le président. J'aimerais ajouter quelque chose aux remarques de M. Lessard pour remercier les gens de M. Gleave de nous inviter là-bas. Je pense que si le problème existe dans l'Est non seulement d'aller visiter des producteurs, mais également de voir leurs problèmes de production. M. Gleave a souligné tout à l'heure, le problème de mise en marché et le problème de l'administration des grains. Je pense qu'à titre de membres de ce Comité, nous désirons rencontrer des producteurs au temps de la récolte et voir réellement leurs problèmes de production. Je pense que c'est la base: Si on veut faire du «marketing» on doit produire. Je pense qu'il serait bon que nous, de l'Est, voir voyons ce qui se passe au niveau de la production et également au temps de la récolte. Alors, c'est un peu pour cela que nous avions pensé à retarder à l'automne ce voyage-là.

Nous pourrions faire venir les gens de l'Ouest pour nous expliquer leurs problèmes mais je pense que ce «tour d'horizon» ne serait pas complet. Je pense que si nous pouvions retarder notre voyage à l'automne, cela serait beaucoup plus utile pour les membres du Comité.

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The Chairman: Thank you; I would like to recognize Mr. Pringle and then Mr. Muir, who is also a member of the steering committee.

Mr. Pringle: Thank you, Mr. Chairman. With all respect to my good friend from Saskatchewan, Mr. Gleave, I think there is a little danger here. It is true that we have received a request from the Saskatchewan Wheat Pool to visit them, but the problems of agriculture in the West are not necessarily concentrated in the Province of Saskatchewan and I believe we should also consider at some time in the not too distant future that grain is not the only product produced agriculturally in Canada.

There are many other products. We must think of some of the animals that eat the grain and help to use it up and there we other areas we must at least consider, where we must at least listen and at least recognize that there are problems. British Columbia will

[Interprétation]

present situation. It is up to us to decide. Thank you very much, M. Chairman.

Le président: Merci, monsieur Lessard; je donne la parole à M. Pringle. Une question supplémentaire, monsieur Roy?

Mr. Roy (Laval): A supplementary, Mr. Chairman, I should like to add something to the remarks made by Mr. Lessard as to thank the friends of Mr. Gleave for their kind invitation. I believe that if the problem exists in the East above all not only to visit the farmers but also to see their production problems. It has been emphasized by Mr. Gleave a few minutes ago that the marketing problems and the Grain administration problems, I think, as a Member of the Committee, that we should also meet the producers at harvest time and see their actual problems of production. It seems to me that it is the crux. If we want to use marketing, we have to produce. We should inquire about the feelings and thoughts of eastern farmers at the harvest. Therefore we should postpone the trip until next fall.

We can have those western people come here to discuss their problems, but that would not be complete. Therefore, I believe that if we can postpone the trip until next fall, it would be far more useful for everyone in the Committee.

Le président: Merci. Je vais donner la parole à M. Pringle, puis à M. Muir, qui est aussi membre du comité directeur.

M. Pringle: Merci, monsieur le président. En toute déférence pour mon bon ami de la Saskatchewan, M. Gleave, je pense qu'il y a un danger qui se présente ici. Il est vrai que la Saskatchewan Wheat Pool nous a invités à lui rendre visite, mais les problèmes de l'agriculture, dans l'Ouest, ne sont pas nécessairement concentrés dans la province de la Saskatchewan. Nous devrions aussi envisager, d'ici peu de temps, le fait que les céréales ne sont pas les seuls produits agricoles du Canada.

Il y en a beaucoup d'autres. Nous devons penser à certains des animaux qui mangent les céréales, qui aident à les utiliser, et nous devrions penser au fait qu'il existe d'autres régions que nous devons au moins étudier, que nous devons au moins écouter et dont nous

[Text]

be very unhappy if our Committee goes into Saskatchewan and then returns without a visit there. I would suggest that Alberta would not be too happy. I would like us make a proper, extended trip.

The emergency has been discussed until 2 o'clock in the morning in the House of Commons. We have had innumerable questions answered in the House of Commons with regard to the grain problem. I am not belittling the grain problem; it is a serious problem. As a matter of fact, I think at one time it was actually an emergency; it might even have been called a disaster area.

Now, it may be that April is the only time they can meet us because this is the time they are getting right on the ground and they will just be coming back from their winter vacations. I have flown from Edmonton to Winnipeg many times. I have flown over farm after farm where there are not any footprints of any description anywhere on the place, either from cattle or people, and it may be that that is the only time, before the summer vacations come along. The people who are in the dairying, poultry and cash crops sectors of the agricultural industry, Mr. Chairman, must be there all year round. They have to be there and they will be interested in seeing this Committee.

I am really not attempting to be facetious...

An hon. Member: Oh, no! Oh, no!

The Chairman: Order, please!

Mr. Pringle: ...and I say this to Mr. Gleave: I am trying forcefully to point out that we should consider this to be a real trip and not just hie off to Saskatchewan to investigate the grain problems and then return to Ottawa. Manitoba has grain problems, Alberta has grain problems and the whole of Canada has agricultural problems, believe me, including all of those provinces, and I hope that we should include agriculture in its entirety when we visit these provinces.

The Chairman: Gentlemen, may I simply say for the information of the Committee that I have spoken with Mr. Hansen of the Saskatchewan Wheat Pool this morning. They would be disappointed, of course, if we are not able to accept their invitation and go in April, but he did then suggest that probably June 10 or thereabouts might be another time when they would be willing to see and entertain us. I point that out only for the information of the Committee. I would like to recognize...

[Interpretation]

devons au moins reconnaître les problèmes. La Colombie-Britannique serait très malheureuse que le Comité se rende en Saskatchewan et revienne à Ottawa sans s'arrêter en Colombie-Britannique. L'Alberta ne serait pas très heureuse non plus. J'aimerais qu'on fasse un long voyage comme il convient.

La question a été discutée jusqu'à 2 heures du matin à la Chambre des communes. Nous avons répondu à nombre de questions posées en Chambre au sujet des céréales. Je ne minimise pas le problème, il est grave. En fait, à un moment donné, c'était un cas d'urgence, même, on aurait pu dire que c'était un désastre.

Il se peut que le mois d'avril soit la seule période où on peut se réunir, avant qu'ils retournent au travail.

Ils reviennent alors de leurs vacances d'hiver. J'ai voyagé plusieurs fois de Winnipeg à Edmonton. J'ai survolé ferme après ferme, où il n'y a absolument aucune trace d'activité; on n'y voit ni bête, ni gens. C'est peut-être le moment d'y aller avant que les vacances d'été commencent. Ceux qui s'occupent de la production de lait, de volailles et de culture maraîchère doivent être sur place toute l'année. Ceux-là seront intéressés à rencontrer notre Comité.

Je ne veux pas être facétieux...

Une voix: Non, non!

Le président: A l'ordre!

M. Pringle: ...et je dis à M. Gleave: nous devrions voir cela comme un véritable voyage. Nous ne devrions pas nous en tenir à aller en Saskatchewan pour étudier les problèmes des céréales seulement, puis revenir à Ottawa. Le Manitoba a des problèmes de céréales, l'Alberta a des problèmes de céréales et tout le Canada a des problèmes agricoles, croyez-moi, y compris ces provinces. Voilà pourquoi j'espère que nous incluons tous les aspects de l'agriculture en visitant ces provinces.

Le président: Messieurs, puis-je dire simplement pour la gouverne du Comité, que j'ai parlé à M. Hansen de la Saskatchewan Wheat Pool, ce matin. Ils seraient déçus que nous ne puissions pas nous rendre en Saskatchewan en avril, à leur invitation, mais il nous a proposé que le 10 juin serait peut-être une autre date où nous pourrions nous y rendre, où ils pourraient nous recevoir. Je tenais uniquement à le dire pour la gouverne du Comité. Je donne maintenant la parole à...

[Texte]

Mr. Horner: Mr. Chairman, on a point of order. You had no authority to tell them that we are not going because the Committee has not reached that decision yet.

The Chairman: I beg your pardon, Mr. Horner. I did not say we were not going. I simply told them that the steering committee was recommending to the Committee this morning that probably we would not be able to go and gave the reasons why the steering committee thought it might not be possible, but that I would call him later today and give him the decision of the Committee.

Mr. Horner: All right; that is different.

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The Chairman: I would like to recognize Mr. Muir who was pinch-hitting for Mr. Danforth on the steering committee yesterday. Mr. Muir?

Mr. Muir (Lisgar): Mr. Chairman, notwithstanding the decision which the steering committee felt they had to recommend to this Committee because of the government decision that two committees could not travel at the same time, I think we have a real crisis in the West at the present time and I think this is the time for the Committee to see it.

I am getting reports that there are thousands of bushels of grain that it is not going to be possible to dry. The grain is already deteriorating in the fields and I think it is up to the Committee to see this at first hand to give us some idea of the problems that Western Canada is facing at the present time. Mr. Danforth has a suggestion here that I would like him to give to the Committee which I think would settle the problem, as far as travelling through the West is concerned, at this time.

The Chairman: I will recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, we all realize this is a serious matter and regardless of the time or the season we might pick, it is going to be an inconvenience to some of the members concerned because of their duties.

As a member of the Steering Committee, I understand the difficulty arises through the government decision of allowing only one Committee to travel at a time. Perhaps this is a proper decision and I have no quarrel in this respect. However, I would like to suggest to the Committee that perhaps we could solve

[Interprétation]

M. Horner: J'invoque le Règlement, monsieur le président. Vous n'avez aucune autorité de lui dire que nous n'y allons pas, parce que le Comité n'a pas encore pris cette décision.

Le président: Je m'excuse, monsieur Horner. Je n'ai pas dit que nous n'y allons pas; je lui ai simplement dit que le Comité directeur a recommandé au Comité, ce matin, que nous ne pourrions probablement pas y aller; j'ai donné les raisons pour lesquelles le Comité directeur pensait que nous ne pourrions pas y aller, mais j'ai dit que je l'appellerais plus tard au cours de la journée pour lui faire part de la décision du Comité.

M. Horner: Très bien; c'est différent.

Le président: Je voudrais donner la parole à M. Muir, qui a remplacé M. Danforth au Comité directeur, hier. Monsieur Muir?

M. Muir (Lisgar): Monsieur le président, en dépit de la décision que le Comité directeur a cru bon de recommander au Comité, à cause de la décision du gouvernement, qui veut que deux comités ne peuvent pas voyager en même temps, je crois qu'il se produit une véritable crise dans l'Ouest à l'heure actuelle. Et c'est le moment que le Comité s'en rende compte.

On me dit qu'il y a des milliers de boisseaux de céréales qui ne pourront pas être asséchés; le blé pourrit dans les champs, et le Comité doit s'en occuper. Ce qui donnerait au Comité une idée des problèmes auxquels l'Ouest canadien fait face à l'heure actuelle.

M. Danforth a une proposition que je voudrais qu'il expose au Comité, ce qui résoudrait le problème en ce qui concerne les voyages dans l'Ouest.

Le président: Monsieur Danforth.

M. Danforth: Monsieur le président, nous nous rendons tous compte que c'est une question sérieuse quelle que soit la saison que nous choisirons, la date entraînera des inconvénients pour les députés étant donné leurs différentes occupations.

En tant que membre du Comité directeur, la difficulté qui se présente découle de ce que le gouvernement a décidé de ne permettre qu'un Comité à voyager à la fois. C'est peut-être une bonne décision. Je voudrais dire au comité que nous pouvons résoudre le problème si nous sommes disposés à abandonner,

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this if we as members showed our determination and consideration of the importance of the problem by being prepared to give up part of our Easter recess. We could leave here on April 9—providing our recess starts April 2—which would give us all a week at home with our families and in our ridings. We could then leave on April 9, spend two days in Alberta, go to Vancouver and spend two days there, then return and be able to keep our commitment with the wheat pool, view all of the facilities that we wish to view, and be back in Ottawa representing our constituencies before the estimated time of departure of the Fisheries Committee. In this way I think we would meet our obligations both at home and to the farmers and to these men in the West who have definite problems. I would like the Committee to consider this suggestion, which I feel will completely solve our problem.

The Chairman: Mr. Horner.

Mr. Horner: I would like to support Mr. Danforth's suggestion. In fact, I was wondering why the Steering Committee had not thought of that yesterday. I would also like to say to Mr. Roy that next fall is not good enough. We have had a difficult year in marketing grain. There has been a tremendous deterioration in the grain, as Mr. Muir suggested.

The very fact that in the grading the Board of Grain Commissioners has been swamped with samples in the last week or two weeks suggests that the farmers are all of a sudden becoming aware of the fact that this grain has deteriorated a great deal throughout the winter and that drying operations in the individual dryers are not quite as satisfactory as they might be, and they are rushing their grain to the Board of Grain Commissioners for grading samples. I do not suppose in April the grain will have started to heat yet, but it will be doing so shortly thereafter. The bins will be getting warm at the end of April or the beginning of May, if they have not already done so by the early part of April. So, this is a very crucial time. We will be able to see combines starting out in the fields trying to pick up crops perhaps from last year, depending on the weather in April, but this is the time the trip should be made.

I would also like to urge the Committee to consider Mr. Danforth's suggestion. There is no reason we could not take two or three days off at the end of the Easter recess, whatever it amounts to, and go out there and look at this problem. I realize, as Mr. Pringle suggests, there are other aspects of the agricultural industry that are very important.

[Interpretation]

à titre de député, une partie de nos vacances de Pâques. Nous pourrions partir d'ici le 9 avril, ce qui nous donnerait tous une semaine dans nos familles et dans notre circonscription. Nous partirions le 9 avril, passer deux jours en Alberta, deux jours à Vancouver, puis revenir et tenir notre rendez-vous avec l'office de commercialisation du blé, visiter toutes les installations qui nous intéressent, puis ensuite revenir ici pour représenter nos circonscriptions, avant le départ du Comité des Pêcheries. De cette façon, nous assumerions nos responsabilités vis-à-vis de nos circonscriptions et des cultivateurs et de la population de l'Ouest qui a des problèmes bien précis. Je voudrais que les députés examinent cette proposition qui résoudrait bien des problèmes.

Le président: M. Horner.

M. Horner: J'appuie M. Danforth. Je me demande pourquoi le comité n'y avait pas pensé hier. Je voudrais dire à M. Roy que ce n'est pas une solution de retarder le voyage à l'automne. Nous avons des problèmes difficiles qui se posent pour la vente du blé. Comme M. Muir l'a dit, la situation des céréales a détérioré sensiblement.

Le simple fait que les commissaires de la Commission canadienne des céréales nous disent que, depuis deux ou trois semaines, ils ont été inondés d'échantillons, montre que les cultivateurs constatent, tout à coup, que le blé s'est détérioré considérablement au cours de l'hiver et que les séances de séchage, dans les sécheurs particuliers, n'ont pas donné de bons résultats. Voilà pourquoi ils se dépêchent d'envoyer leurs céréales à la Commission canadienne des céréales pour qu'elles soient évaluées. J'imagine qu'en avril, les céréales n'auront pas commencé à s'échauffer mais elles commenceront bientôt, mais ce processus commencera bientôt. De sorte que c'est un moment critique. Nous allons voir les moissonneuses-batteuses dans les champs en train de récolter les céréales qui y furent laissées l'année dernière, si le temps le permet. C'est à ce moment qu'il faudrait faire le voyage.

Voilà pourquoi je demande au Comité de prendre en considération l'idée proposée par M. Danforth. Je sais, comme M. Pringle le dit, qu'il y a d'autres aspects de l'agriculture qui sont très importants. Je rappelle aux députés qu'ils ne devraient rien avoir contre les céréales. Il fut un temps où c'était l'exportation la plus importante, même plus impor-

[Texte]

I am fully aware of this. However, I want to draw to the Committee's attention that you should not begrudge grain. You must remember that for Canada a couple of years ago wheat and grain products was the largest single export; it even surpassed pulp and wood, which has long been Canada's sole biggest export.

Do not hold it against grain because you might have heard about grain around here until it is coming out your ears. Mr. Pringle

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has suggested that the odd farmer has been away on a holiday. I say to Mr. Pringle, "bully for that odd farmer". Why should a farmer not be able to have a holiday the same as a lawyer, a doctor, a hatchery expert or whoever it may be.

Mr. Pringle: I fully agree.

Mr. Horner: I do not hold this against the farmers, I say bully for them, but I do urge this Committee to go out West and see the problem first hand. If anyone thinks there is a gravy train in farming, I do not think anyone would begrudge you staying right there and buying a farm and going to work. There is a lots of land out there for sale, I will say that. You can take over any time you like.

But I really do want to see this Committee give serious consideration to this suggestion. I know that in the past the agricultural Committee has always functioned quite independently of its parent bodies, the parties on either side of the House. What is good for agriculture has always been their main key decision. Therefore I do not want you members to consider the fact from a party point of view, I want you to consider it from a necessity point of view and whether or not you can actually do yourself and the country some good by going out there.

I would also take objection to the fact, Mr. Chairman, and point out at this time that there has been no House decision. A number of members have said there was a House decision that only one committee could be away at one time. There was no House decision to that effect. It may well be a government decision but I do not think there was any House decision to that effect. With the overwhelming majority which the government finds itself in, I cannot see—I could understand it if it was in the old minority position—they being so frightened that we are going to overlap the Fisheries Committee three days that all hell will break loose in Ottawa if "X" number of members are away that extra three days. I do not see this as a

[Interprétation]

tante que la pâte à papier qui avait été si longtemps le principal produit d'exportation du Canada.

N'en voulez pas au blé parce que le blé pose des problèmes. Maintenant, si M. Pringle dit que certains cultivateurs sont partis en

voyage, je dis: «Bravo pour lui». Pourquoi est-ce qu'un cultivateur ne pourrait pas avoir autant de vacances qu'un avocat, qu'un médecin ou un expert agricole ou qui que ce soit?

Mr. Pringle: Je suis d'accord.

M. Horner: Tant mieux s'il prend des vacances mais j'exhorte le Comité à se rendre en Saskatchewan pour voir le problème sur place. Si quelqu'un pense qu'on gagne si facilement de l'argent en produisant du blé, on ne vous en voudra pas si vous achetez une terre et décidez de rester dans l'ouest. Il y a beaucoup de terres à vendre. Vous pouvez les acheter si vous voulez.

Je voudrais que le Comité examine attentivement la question. Je sais que par le passé le Comité de l'agriculture a toujours agi de façon très indépendante des partis de chaque côté de la Chambre. Son principal souci a toujours été ce qui était bon pour l'agriculture. Voilà pourquoi, monsieur le président, je ne voudrais pas que l'on considère tout cela du point de vue des partis mais du point de vue des besoins et des avantages qu'on prouverait au pays et à nous-mêmes en se rendant sur place.

Je m'oppose également, monsieur le président, à ce que beaucoup de députés ont dit qu'il y avait une décision de la Chambre, mais la Chambre n'a jamais décidé qu'un seul Comité serait autorisé à voyager à un moment donné. La Chambre n'en a pas décidé ainsi. C'est peut-être le gouvernement qui l'a décidé mais pas la Chambre. Étant donné la majorité du gouvernement, je le comprendrais s'il était encore en minorité; je ne vois pas pourquoi nous ne pourrions pas être absents en même temps que le Comité des Pêcheries pour trois jours; étant donné sa majorité écrasante, je ne vois pas que cela mettrait le gouvernement en danger et il me semble que ce n'est pas un critère pour exclure l'idée du voyage. Voilà pourquoi j'exhorte chacun d'entre nous de

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criterion for ruling out the whole trip, or anything like it, so I urge you, Mr. Chairman and everyone on the Committee, to reconsider this whole position from the point of view of doing this Committee and the country some good. British Columbia, Alberta and Manitoba have their problems, but the grain industry has a particular problem this spring which we could better understand by a firsthand visit.

The Chairman: One little correction I do not think anyone said this was a House decision.

Mr. Horner: I am sorry.

The Chairman: I think I said it was a government decision that only one Committee would be away at a time. I think the government is certainly charged with the responsibility of administering the affairs at the moment. I think it will be a House decision if we are given permission to travel. I think I should also say—and I think I accurately expressed the opinion of the Steering Committee in this respect—that there was a real desire to go and the only complication was in finding the time to do a proper job at that particular time.

Mr. Pringle: Mr. Chairman, may I add one short supplementary to Mr. Horner's remarks. My objection was to just going to Saskatchewan and returning, as it was suggested. I am opposed to that. If we can give equal time to the various Western provinces and look into all of agriculture, I would be prepared to agree to the proposal that we take our time.

The Chairman: Gentlemen, Mr. Peters asked to be recognized. Do you have a question or a comment, Mr. Peters?

Mr. Peters: Mr. Chairman, I think the motion that has been moved was to visit from place to place in Western Canada it was not specifically Saskatchewan, although I presume that is probably the place that we as members could probably learn the greatest amount about the largest problem at the present time. We had the opportunity of going to Western Canada a couple of years ago with the Committee, and I think that the members of Parliament gained a great deal from that. Perhaps the country did not because we really have not yet developed the committee system to the stage where it is a pseudo-legislative process, but I am sure that the investigation which the members made taught a lot of us from Eastern Canada something about the problems that they have in Western Canada.

[Interpretation]

repenser à la question et de l'examiner pour le bien du Comité et pour le bien du pays. Je sais que la Colombie-Britannique, l'Alberta et le Manitoba ont leurs problèmes, mais un problème important se pose pour les céréales ce printemps. Un problème que nous comprendrions davantage en nous rendant sur les lieux.

Le président: Un instant. Personne n'a dit que c'était une décision de la Chambre.

M. Horner: Je m'excuse.

Le président: J'ai dit que c'était une décision du gouvernement, qu'un seul comité pouvait s'absenter à un moment donné. Je crois que le gouvernement a la responsabilité de l'administration de la Chambre. Ce serait une décision de la Chambre si nous avions la permission de voyager. J'ai bien exprimé l'opinion du comité directeur à cet égard en ce qu'on désire vraiment partir pour l'Ouest, mais la question est de trouver le temps pour faire un travail convenable.

M. Pringle: Une question supplémentaire. Je me suis opposé à ce qu'on aille en Saskatchewan et qu'on revienne tout de suite. Si on pouvait trouver assez de temps pour accorder à toutes les provinces de l'Ouest une période égale, et étudier tous les aspects de l'agriculture, j'accepterais probablement cette proposition.

Le président: M. Peters demande la parole. Avez-vous une question ou des commentaires, monsieur Peters?

M. Peters: Monsieur le président, je crois que la motion qui a été proposée était de visiter l'Ouest du Canada, et non pas seulement la Saskatchewan, bien que c'est probablement la province où l'on apprendrait le plus sur le problème le plus important de l'heure. Le Comité a eu l'occasion de visiter l'Ouest du Canada il y a quelques années et bon nombre de députés en ont tiré de grands profits. Peut-être que le pays n'en a pas tiré autant de bénéfices, car nous n'avions pas encore conçu le système de comité comme un processus quasi-législatif, mais je ne doute pas que les députés de l'Est en ont beaucoup appris sur les problèmes de l'Ouest.

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I agree that it is difficult for all members to be away from the House at the same time. Certainly we have tried this once or twice before and the House has even closed down if the reasons were good enough. This motion, of course, has produced a great number of members in this Committee—I think I counted 29 this morning—so apparently the government is very interested in what this Committee does. I think that is a shame, too. I do not like to see the attendance here for that purpose.

The Chairman: Mr. Peters, we recognize your presence this morning.

Mr. Peters: Mr. Chairman, I do not think I have to apologize for my attendance. I have missed only two meetings of this Committee—and usually when I am here I am heard.

I do not think we should look at travelling as some form of a trip. I have been on several and they are tough going. I can remember sitting at a hearing in a hotel in Winnipeg at one o'clock in the morning and being at the airport at six o'clock the same morning to catch a plane for Port Arthur. It is really no cinch.

However, I think that these meetings do give members of Parliament firsthand knowledge of problems.

I would like to give one example. For years the Moose Jaw elevator was empty. When we went there I think there were 12 bushels of wheat in an elevator which held something like five million bushels. We went there by accident, more or less, but the morning we were there they started putting grain in that elevator. I understand it has been used ever since. I think this sort of thing does give members an indication of how they can help, and I think this is one field in which they could help. The suggestion Mr. Danforth made is a very good one and perhaps we will change the minds of some members of the Committee who look at this in a certain light.

Mr. Pringle's point, that we should not fail to go to other areas is a very good one, but I fail to really see how, in going to British Columbia, that we are going to gain much by looking at the dairy industry in that area for the purpose of solving a particular problem. I am sure that members from Ontario would agree that we have that same problem. I am sure that Mr. Lessard from Quebec would agree that they have exactly the same problem there. However, we do not have the same grain problem. The only place that problem arises is where the majority of grain is produced.

[Interprétation]

Je sais qu'il est difficile à tous les membres de s'éloigner en même temps de la Chambre. Nous l'avons déjà fait à quelques reprises et avons même interrompu la session s'il y a d'assez bonnes raisons. Cette motion a évidemment suscité beaucoup d'intérêt de la part du gouvernement, si on en juge par le nombre de députés ici présents. J'en ai compté 29 ce matin.

Je n'aime pas voir les gens ici à cette seule fin.

Le président: Monsieur Peters, nous reconnaissons votre présence ici ce matin.

M. Peters: Monsieur le président, je ne crois pas savoir m'excuser de ma présence. Je n'ai manqué que deux réunions du Comité et quand je suis ici, on m'écoute. Nos voyages ne sont pas une partie de plaisir. J'en ai fait plusieurs et ce n'est pas une sinécure. Nous avons déjà siégé jusqu'à une heure du matin pour ensuite prendre l'avion à six heures vers Port-Arthur. Ce n'est pas facile, mais cela permet aux députés d'avoir une connaissance pratique des problèmes.

Voici un exemple—pendant des années, les élévateurs de Moose Jaw ont été vides; lors de notre visite, il n'y avait que douze boisseaux dans un élévateur à capacité de 5,000,000 de boisseaux. Le matin de notre arrivée, ils ont commencé à remplir les élévateurs et c'est ce qu'ils ont fait depuis lors. Le comité, grâce à ce voyage, pourra alors faire quelque chose, et je crois que c'est un domaine où il le peut. Alors la proposition de M. Danforth est excellente et cela changera l'opinion d'un bon nombre des membres du comité qui voient ce problème sous un certain aspect.

L'argument de M. Pringle est excellent mais je comprends mal qu'une visite en Colombie-Britannique nous permettrait d'examiner le problème de la distribution dans cette région dans le but d'y régler un problème particulier. Les députés de l'Ontario conviendront que nous avons ce problème ici même. M. Lessard admettra que le Québec a le même problème. Nous n'avons cependant pas le même problème parce que le problème se concentre là où les céréales sont produites. Je suggère au Comité de penser avant d'agir. Je ne partage pas l'idée de mon autre collègue parce que la situation est tout à fait

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I suggest the Committee think about going. I do not agree with the idea suggested by Mr. Roy, that we go in the fall, because you would be looking at a totally different situation in the fall than you would be at the present time. We should try to make our time available while the problem is present.

The Chairman: Thank you, Mr. Peters. Gentlemen, I have a number of members who wish to offer comments. I have Mr. Douglas, Mr. Southam, Mr. Côté, Mr. Benjamin, Mr. Cyr, Mr. Burton, Mr. Whicher, Mr. LaSalle, and Mr. Gauthier. It looks as though we are going to go on for some little time. I will recognize Mr. Douglas.

Mr. Douglas (Assiniboia): Mr. Chairman, I think we have to recognize that we did have a special invitation from the Saskatchewan Wheat Pool to go at a specific time. I think we should recognize too that the Wheat Pool has been organizing a winter program of discussion on this matter for all their members, which comprise a great majority of the farmers in Saskatchewan.

I believe they are going to go ahead and hold those meetings, regardless. They may be able to put them off until June, I am not certain, or perhaps they will have a second round in June if we cannot go until June. I do not think we have any guarantee that we can go in June, because of the number of standing committees we have. Our time may be all taken up, the same as the time we had hoped to get has all been taken up, because we were too late in speaking for it.

This organization is not just a wheat producers' organization, it is very active in the livestock and feed grain business too. I think all these aspects will be discussed by the farmers who will be present at the meetings that are organized for April.

Mr. Chairman, I question the correctness of any decision that may have been made to the effect that only one committee can be absent at one time. I cannot see, when committees are balanced like they are, the great harm of more than one being away at the same time. However, this is not important right now.

As to vacations, there may be a very small percentage of farmers in Western Canada who do go away for part of the winter at least. A figure that has been mentioned is a maximum of 2 per cent. Certainly the ones who have livestock will not be away, and there are a lot of livestock producers.

It has been said that we will not see all the agricultural problems by just going to Saskatchewan, but I suggest that most of the problems facing western agriculture at least can

[Interpretation]

différente à l'automne de ce qu'elle est à l'heure actuelle et voilà pourquoi nous devrions répartir notre temps pour examiner ce problème.

M. le président: Merci, monsieur Peters. Il y a quelques députés qui désirent prendre la parole—M. Douglas, M. Southam, M. Côté, M. Benjamin, M. Cyr, M. Lessard, M. Gauthier. Je crois que cela va prendre quelque temps. Je vais donner la parole à M. Douglas.

M. Douglas (Assiniboia): M. le président, nous devons admettre que la Saskatchewan Wheat Pool nous a invités à visiter cette région un moment donné. Nous devons admettre aussi que le Saskatchewan Wheat Pool a organisé un programme pour discuter de cette question cet hiver avec ses membres qui représentent la grande majorité des agriculteurs de la Saskatchewan.

Je pense qu'ils vont tenir la séance néanmoins. Ils peuvent retarder ces discussions jusqu'en juin, ou peut-être en tiendront-ils d'autres si nous ne pouvons nous y rendre avant juin. Rien n'est certain à propos d'une visite en juin parce que nous avons plusieurs comités permanents d'ici là. Nous serons peut-être très pris comme nous l'avons été parce que nous avons tardé à en parler.

Cet organisme n'est pas seulement une association de producteurs de blé. Elle s'occupe aussi de l'élevage et de grains de provende. Ces éléments seront examinés par les cultivateurs qui seront présents aux réunions prévues pour le mois d'avril, en passant, je mets en doute l'exactitude des décisions qui ont été prises lorsqu'on dit qu'un seul comité peut être absent à un moment donné. Je ne vois pas en quoi ça fera du tort si deux comités voyagent en même temps. Mais ce n'est pas un élément important pour le moment.

Quant aux vacances, il peut y avoir très peu de cultivateurs de l'ouest du Canada qui s'absentent pendant l'hiver—une partie de l'hiver tout au moins. On peut dire que le maximum de vacances est de 2 pour cent et les éleveurs ne seront pas absents, et il y a beaucoup d'éleveurs.

On a déclaré que nous ne pouvons pas examiner tous les problèmes de l'agriculture en ne visitant que la Saskatchewan mais je soutiens que la plupart des problèmes de l'agri-

[Texte]

be seen in Saskatchewan. There is not that much difference between Alberta, Manitoba and Saskatchewan, and at least the grain producing area in British Columbia. It may be that we can see all these provinces, if the majority of the Committee wishes to use part of their Easter vacation. I am in favour of doing this. If the majority want to do this, it is just fine with me.

But if they are not willing to do this, I cannot see anything wrong with splitting our trip to the West and going to Saskatchewan at the time best suited to go there and then going to the other provinces in June, if it can be arranged.

I would hope that we would see our way clear to accepting the Wheat Pool invitation to go to Saskatchewan in the third week of April.

Mr. Southam: Mr. Chairman, my remarks will be brief. The Committee has been faced with a dilemma on the timing of the Agriculture Committee's trip. I would like to support the suggestion made by Mr. Danforth to meet this problem.

I think we have to take this trip at this time, if at all possible. As was pointed out earlier by Mr. Gleave, the invitation of the Saskatchewan Wheat Pool was received and discussed in advance of Fisheries setting up their itinerary.

Another point I would like to make is this. Most of the problems that we want to discuss at the present time are in the West, and I go along with Mr. Pringle in respect of going to the four provinces—British Columbia, Alberta, Saskatchewan and Manitoba—at this particular time.

Also, as all Western members no doubt will be out in their ridings at that time, there is a matter of convenience and economy involved here. It would be much easier and less costly for members of the Committee to get together at Winnipeg or wherever they decide to start the trip.

Because of all these considerations I would like to support Mr. Danforth's suggestion—sacrifice two or three days of our holiday, get out there, and not just deal with the problems in Saskatchewan which are very grave at this time, but go right across the four provinces and complete this part of it.

[Interprétation]

culture de l'ouest peuvent être vus en Saskatchewan. Il n'y a pas grande différence entre l'Alberta, la Saskatchewan et le Manitoba et les régions de la Colombie-Britannique qui produisent les céréales. Nous pouvons visiter toutes ces provinces si la majorité des membres veulent consacrer une partie de leurs vacances de Pâques. Je suis en faveur si tous veulent le faire.

S'ils ne le veulent pas, je ne vois pas pourquoi on ne ferait pas un voyage dans l'ouest, visitant la Saskatchewan au moment idéal et après, visitant les autres provinces en juin, si tout cela peut être arrangé. J'espère que l'on pourra avoir la voie libre pour accepter l'invitation du Wheat Pool et visiter la Saskatchewan pendant la troisième semaine d'avril.

M. Southam: Mes remarques seront brèves M. le Président. Le comité doit faire face à un problème relatif à l'horaire du voyage du Comité de l'agriculture. La proposition de M. Danforth est excellente.

Nous devons entreprendre ce voyage le plus tôt possible. L'invitation du Saskatchewan Wheat Pool a été reçue et discutée avant que les Pêcheries fixent leur itinéraire. Je tiens à signaler aussi que la majorité des problèmes que nous voulons régler, pour le moment, se situent dans l'ouest, et je conviens avec M. Pringle que nous devrions visiter les quatre provinces, la Colombie-Britannique, l'Alberta, la Saskatchewan, le Manitoba.

Comme tous les députés de l'ouest seront alors dans leurs circonscriptions à l'époque, ce sera plus économique et conviendra mieux. Il sera plus facile et moins onéreux de nous réunir à Winnipeg ou à n'importe quel point de départ. C'est pourquoi je tiens à appuyer la proposition de M. Danforth. On pourrait bien emprunter deux ou trois jours de nos vacances pour nous rendre là-bas et non seulement brasser les problèmes de la Saskatchewan qui sont graves mais visiter les autres provinces pour compléter nos travaux.

The Chairman: Mr. Benjamin?

Le président: M. Benjamin.

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[Interpretation]

Mr. Benjamin: Mr. Chairman, I am only a visitor to this Committee and I must apologize for taking up a few minutes of its time.

I would like to point out to the Committee that this invitation was extended on January 14 and that almost two months have gone by. The Saskatchewan Wheat Pool organization has been very patiently waiting for a reply one way or the other. Since the reply has taken this long, they have had no choice but to proceed to get ready for these meetings. For the information of Committee members who are not from Saskatchewan, there are several hundred people in this province right now preparing briefs. At three locations proposed for meetings there are a total of 30 briefs now ready to be presented—and it is not just about tough and damp wheat.

I would like also to submit to the Committee that this invitation came long before any proposals were made for a Fisheries Committee to make any trips, and I am not downgrading the importance of the work of that committee.

If there was to be any fairness in this in terms of which committee goes when, it seems to me that the Agricultural Committee should go first, take the time required, and the Fisheries Committee immediately follow. I say this because of the time the invitation was extended and the length of time it has taken to reply to that invitation.

The Saskatchewan Wheat Pool are suggesting that week because they thought it would be the most convenient for the Agricultural Committee immediately following the Easter recess. It is also occurring at a time when between 50 and 100 million bushels of grain will be spoiling. You are talking about somewhere between \$50 million and \$150 million. I hope the Committee will decide that they are quite prepared to take two or three days out of their Easter recess plus the five days proposed in the motion and accept this invitation. I understand the Saskatchewan Wheat Pool hopes to arrange the meetings in such a manner that all of them will occur in the space of two or a maximum of three days—one or two in every constituency in that province—with the Committee broken up in groups of two or three or four to attend on behalf of the the whole Committee each of these meetings to hear these briefs.

I think you will be doing a great courtesy and disservice if this Committee does not decide today and so inform the Saskatchewan Wheat Pool that it is in fact going to meet with them on the date that they invited it to do so.

The Chairman: Thank you, Mr. Benjamin.

M. Benjamin: Je ne suis qu'un visiteur et je m'excuse de prendre quelques minutes du temps du comité.

Je tiens à signaler que cette invitation a été lancée le 14 janvier, il y a près de deux mois. Le Saskatchewan Wheat Pool attend patiemment une réponse quelle qu'elle soit. Vu que la réponse tarde tant, ils ne peuvent que procéder. Aux membres du comité qui ne sont pas de la Saskatchewan, je dis qu'il y a des centaines de milliers de personnes en Saskatchewan et il y a trente mémoires qui attendent la venue du comité, à plusieurs endroits. Et ce ne sont pas des mémoires qui ne concernent que le blé.

Je tiens aussi à soutenir que cette invitation a été reçue longtemps avant que le Comité des pêcheries ait envisagé un voyage. Je ne m'oppose pas à l'importance des travaux du Comité des pêcheries.

En toute justice et sur le plan des voyages de plaisir des comités, il me semble que le Comité de l'agriculture devrait faire une visite d'abord, prendre le temps nécessaire, et le Comité des pêcheries viendra ensuite. Et je le dis à la lumière de l'invitation qui a été reçue et du temps qu'il a fallu pour répondre à cette invitation.

Le Saskatchewan Wheat Pool suggère cette semaine, car l'organisme pense qu'au lendemain des vacances de Pâques, nous aurions du temps disponible. Il y a entre 50 et 100 millions de boisseaux de blé qui risquent de se gâter, ce qui représente entre 100 et 150 millions de dollars. J'espère que le Comité décidera de prendre deux ou trois jours de leurs vacances de Pâques, en plus de cinq jours proposés dans la motion, et acceptera cette invitation. Je crois comprendre que le Saskatchewan Wheat Pool espère organiser les réunions de la façon qu'elles se tiennent toutes dans une période allant de 2 à 3 jours. Au nombre d'une ou deux séances dans chaque circonscription de cette province. Le Comité pourrait se répartir en deux, ou trois ou quatre groupes afin d'entendre au nom de tout le Comité les mémoires qui seront présentés.

On rendrait un piètre service à ces gens si le Comité ne décide pas aujourd'hui et informe le Saskatchewan Wheat Pool que le Comité se rendra à son invitation le jour convenu.

Le président: Merci, monsieur Benjamin.

[Texte]

M. Côté (Richelieu): Monsieur le président, je voudrais essayer d'analyser ce problème avec le plus d'objectivité possible. À mon avis, c'est un problème grave. On a déjà fait deux propositions qui semblent acceptables. Mais, il ne faudrait pas oublier que nous sommes allés dans l'Ouest du Canada, il y a deux ans. Je partage un peu l'opinion de M. Horner. Il y a deux ans, alors qu'on n'avait peut-être pas une majorité écrasante, on est allé dans l'Ouest, en disant qu'on voulait montrer à la population qu'on comprenait leurs problèmes. L'objectif n'était pas bien fixé à ce moment-là.

On a fait un beau voyage; mais si c'est seulement pour faire croire à la population qu'on veut régler ou étudier leurs problèmes, ça ne vaut rien. Parfois, on peut les étudier beaucoup mieux à l'extérieur. À ce moment-là, nous de l'est du Canada, qui ne connaissons pas tellement les problèmes de l'Ouest, nous aurions aimé voir les désastres qui se produisent dans les champs.

Il y avait des amoncellements de grain que les cultivateurs devaient porter aux entrepôts. Nous n'avons pas pu y aller parce que la température ne le permettait pas et parce que la neige nous y empêchait. Nous n'avons pas pu voir toute l'ampleur du problème à ce moment-là.

Quelques-uns de cette région sont revenus avec l'idée qu'on avait fait croire à la population que leurs problèmes étaient réglés. Mais, rien n'a changé. J'accepterai d'y aller si c'est la volonté de la majorité. Mais, il ne faut pas perdre de vue le principe de l'affaire. Si on accepte l'invitation d'aller en Saskatchewan, est-ce que les personnes intelligentes vont croire qu'on s'en va réellement régler leurs problèmes? Non, on va constater ce qu'on sait déjà.

Je pense qu'on doit, avec le plus d'objectivité possible, trouver la meilleure date. Il ne s'agit pas d'essayer de régler le problème qui existe actuellement ou le problème qui existait l'automne dernier, alors qu'on a souvent dit à la Chambre des Communes que le Comité ne s'occupait pas du problème. Tous savaient que le problème était dû à une grosse production et à la température mais on faisait mine de l'ignorer.

Je serais d'accord pour laisser au comité directeur, qui nous ferait un rapport, le soin de choisir la meilleure date, celle qui nous permettra de voir tous les problèmes, et non pas les solutionner. Il ne faut pas y aller simplement pour faire croire à la population qu'on va essayer de régler leurs problèmes. Même si on voit les silos chauffer au mois d'avril, on ne pourra pas les arrêter de chauffer.

[Interprétation]

Mr. Côté (Richelieu): Mr. Chairman, I would like to try to analyse this problem as objectively as possible. As I see it, it is a serious problem. Two proposals have already been made which seem acceptable. But we must not forget that we went out West two years ago. I share a bit Mr. Horner's opinion. Two years ago, when we maybe did not have a crushing majority, we went out West, saying that we wanted to show the population that we understood their problems. The objective was not quite set at that time.

We made an excellent trip, but if it is only with the intention to make the population believe that we are going to study or solve their problems, it is no good, often, we can study them better from the outside. At that time, we from Eastern Canada who do not know too much about the problems of the West, we would have liked to see the disasters which occur in the fields.

There were piles of wheat that the farmers had to send to the elevators. We were unable to go because the weather would not permit and the snow was an obstacle. We could not fully see the scope of the problem at that time.

We came back from this area, with the idea that we had given the impression to the population that their problems were solved. But nothing has changed. I will accept to go if it is the will of the majority. But we must not forget the principle of the thing. If we accept the invitation to go to Saskatchewan will intelligent persons believe that we are going there to solve the problem? No, we will go and find out what we know exists already.

I believe that we must, in all fairness, find out the best date. It is not a question of trying to solve the problem that exists now, or the problem that existed last fall. It was often raised in the House of Commons that the Committee did not deal with the problem. Everybody knew that the problem was due to overproduction and weather; but there was a tendency to ignore it.

I would agree to let the Steering Committee, which would report to us, choose the best date which will allow us to see all the problems and not to solve them. We must not go simply to give the impression to the population that we will try to solve their problems. Even if we saw the silos heating in April, we will not be able to stop them.

[Text]

Il faut y aller à un temps où la température nous permettra d'observer. Il y a deux ans, on n'a pas pu voir tout ce que l'on voulait voir. Ceux de l'Ouest connaissent peut-être les problèmes, mais nous de l'Est, on aurait voulu aller dans les champs et voir les éleveurs, mais il faisait trop froid.

A mon avis, si on veut bien régler les problèmes d'agriculture, il faut trouver une date qui va nous permettre de voir le véritable problème et de visiter peut-être les quatre provinces de l'Ouest, et après, les provinces de l'Est. Mais, je ne serais pas d'accord pour prendre une décision immédiatement. On a des problèmes dans l'Est, en ce qui concerne l'industrie laitière. M. Horner en a parlé tout à l'heure, mais je pense qu'il a passé complètement à côté en spécifiant la question du quota sur le lait, qui a été décidé par les associations des cultivateurs. Mais, si on allait visiter l'Est, M. Horner et tous les autres ne seraient pas plus au courant des problèmes de l'Est. On n'est pas en mesure de les voir actuellement.

Monsieur le président, je suis peut-être aller trop loin, mais ce que je veux c'est le bien de l'ensemble du Comité. En collaboration avec la Chambre, on pourrait choisir le moment le plus propice pour voir tous les problèmes.

Il ne faut pas leur faire croire qu'on va les régler, parce que, même si on est sur les lieux, on ne les réglera pas.

The Chairman: Gentlemen, I have a number of other members who wish to direct questions. I detect a willingness on the part of the Committee generally, I think...

Mr. Whicher: I have an amendment to the motion, Mr. Chairman, which I think the Committee might accept.

The Chairman: May I conclude by saying that I feel there is a willingness to consider Mr. Danforth's suggestion. How can we decide this right now?

Mr. Whicher: Why not? Do you think Bell Telephone or the Royal Bank takes a year? Why can we not decide right now?

The Chairman: Because we do not know yet whether it is really possible.

Mr. Whicher: We make it possible.

Mr. Chairman, to me the only question is, would we be welcome in British Columbia, Manitoba and Alberta? I am sure that we would be.

[Interpretation]

We must go there at a time when the weather will permit us to find out. Two years ago we could not see everything we wanted to see. Of course you, from Western Canada, maybe know the problems, but us from the East wanted to see the fields and the elevators, but it was too cold.

In my opinion, if we want to solve properly the problems of agriculture, we must find a date which will allow us to see the real problem and maybe visit the four Western provinces, and afterwards, the Eastern provinces. But, I would not agree to decide immediately. We have problems in the East with regards to the dairy industry. Mr. Horner spoke about it awhile ago, but he missed the point completely by specifying the question of milk quotas, which has been decided by the farmers' associations. But is we could visit Eastern Canada, Mr. Horner and all the others would not be aware of the Eastern problem. You cannot see them presently.

Excuse me, Mr. Chairman, maybe I went too far but what I wanted to say is for the good of the Committee. In cooperation with the House, we could choose the most appropriate time to see all the problems.

We must not lead them to believe that we will solve them, even if we are there, because we cannot.

Le président: Merci. Merssieur, Il y a d'autres députés qui désirent poser des questions. Je remarque que le Comité désire en général,

M. Whicher: J'ai un amendement à proposer envers la motion que le Comité pourrait accepter.

Puis-je dire en conclusion que le Comité désire examiner la proposition de M. Danforth mais comment pouvons-nous nous décider maintenant.

M. Whicher: Pourquoi pas, pourquoi ne pouvons-nous pas décider tout comme les autres entreprises, telles que Bell Telephone ou la Banque Royale qui n'attendent pas une année..

Le président: Parce que ce n'est pas possible. Nous ne savons pas si c'est possible.

M. Whicher: Alors nous le rendrons possible. Pour moi la seule question est de savoir si nous serons bien accueillis en Colombie Britannique, au Manitoba et en Alberta. Je suis sûr que nous le serons.

[Texte]

[Interprétation]

Mr. Horner: You are welcome in Alberta.

M. Horner: Vous êtes les bienvenus en Alberta.

Mr. Whicher: I am sure that we would be and I wish to support Mr. Danforth's suggestion. I think it is a very good one. The amendment that I am going to make to Mr. Gleave's motion really should be made by Mr. Danforth but he has not presented it and I hope that he will not mind my giving this to you, Mr. Chairman. I think that we should go out there. I realize that the problem is acute, and in saying this I do not want to go over the story. I hope that the Western people on this Committee will, in the future, that is when we get back from this trip if we go, realize that we have great problems in Eastern Canada too. In the Province of Ontario where I came from the agricultural industry is just as trampled, perhaps not at the moment but in the over-all, as it is in the West. If we go to the West I hope that they will appreciate this fact. I move: that Mr. Gleave's motion be amended by changing the date to April 9th to the 18th and that we visit all four western provinces.

An hon. Member: April 20.

Mr. Whicher: April 20?

Mr. Danforth: April 20 is a Sunday. Never travel on Sunday.

Mr. Whicher: Is that what you wish, April 20? I hope with this motion that some of the people around here will appreciate that as far as Dr. Foster and I are concerned, we are under no obligations; we have not been instructed what to say.

Mr. Pringle: While we are studying that, I think Mr. Horner should be delegated to speak to our wives. I was planning on visiting my wife although she is in Ottawa. Perhaps Mr. Horner might clear it with my wife. I

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would be most happy. She is very small but she operates on the premise that the bigger they are the harder they fall.

Mr. Horner: My past experience would lead me to decline that invitation. I have no authority with wives whatsoever.

The Chairman: Gentlemen, please. In trying to expedite the amendment and the motion, I am wondering if it would be agreeable to Mr. Whicher and Dr. Foster and also to Mr. Gleave to have the original motion read: "from the 9th to the 20th"

M. Whicher: J'appuie la proposition de M. Danforth. C'est une proposition excellente et l'amendement que j'apporterais à la motion de M. Gleave devrait émaner de M. Danforth, mais il ne l'a pas fait. J'espère qu'il ne m'en voudra pas de l'avoir fait à sa place. Nous devons visiter l'Ouest. Le problème est grave, et en toute justice, j'espère que les députés de l'Ouest, à l'avenir, au retour de notre voyage, verront que nous avons aussi des graves problèmes dans l'est du Canada. En Ontario, d'où je viens, l'industrie agricole connaît un marasme aussi grave que dans l'Ouest. Si nous visitons l'Ouest, j'espère qu'ils apprécieront ce fait. Mais voici mon amendement: que la motion de M. Gleave soit amendée en changeant la date du 9 avril au 18 avril et que nous visitions les quatre provinces de l'Ouest.

Une voix: Le 20 avril.

M. Whicher: Le 20 avril?

M. Danforth: Le 20 est un dimanche. On ne voyage pas le dimanche.

M. Whicher: Le 20 avril? C'est ce que vous voulez? J'espère que certaines personnes ici présentes apprécieront que M. Foster et moi-même n'avons aucune obligation. Personne ne nous a fait la leçon.

M. Pringle: Puisque nous étudions cette proposition, je crois que M. Horner devrait être délégué auprès de nos épouses. J'avais l'idée de rendre visite à ma femme même si elle se trouve à Ottawa. Peut-être que M.

Horner arrangera l'affaire avec ma femme. J'en serais fort heureux. Elle est très petite, mais elle fonctionne sur les principes que plus ils sont grands, plus dure est la chute.

M. Horner: Mon expérience passée m'incline à rejeter une telle invitation. De toute façon, je n'ai aucune autorité sur les femmes.

Le président: Messieurs, pour expédier plus rapidement la modification et la motion, M. Whicher, M. Foster et M. Gleave accepteraient-ils que la motion originale soit ainsi rédigée: «du 9 au 20»?

[Text]

Mr. Barrett: And that we visit all four western provinces.

An hon. Member: Why not the amendment first, Mr. Chairman?

The Chairman: I thought it might simplify the whole thing if we just changed the motion a bit and...

Mr. Horner: I think it is agreeable if the Chairman just accepts the suggested amendment, and...

The Chairman: Mr. Gleave's motion then would read:

That this Committee ask leave of the House to travel from place to place in Western Canada from the 9th of April, 1969, to the 20th of April, 1969.

And further, that its principal purpose shall be to examine the circumstances of the grain industry as it exists in that area...

Now, I think the motion as presented is broad enough. It does not really mention any particular province.

You have heard the motion, Mr. Burton.

Mr. Burton: I have a few remarks I wish to make in view of the amendment which has been offered and which appears to be generally acceptable. I shall cut down on the number of remarks I had originally intended to make.

The Chairman: We have a number of others who wish to make remarks also. If it is a matter of recognizing other members of the Committee, I will have to recognize Mr. Cyr, Mr. Burton, and then Mr. Lessard and Mr. Gauthier. What is the wish of the Committee?

An hon. Member: Question.

Mr. Whicher: Mr. Chairman, I have another remark to add. Now that we have got down to Mr. Danforth's very sensible suggestion, let us cut out the nonsense and do something for the farmers of Canada. We all agree that they are in a deplorable state. We can talk here for months and months...

Some hon. Members: Hear, hear.

The Chairman: Gentlemen, the question has been called. All those in favour of the motion will please signify.

Motion agreed to.

M. Roy (Laval): Tout cela montre l'objectivité des gens de l'Est comme des gens

[Interpretation]

M. Barrett: Et la tournée des quatre provinces de l'ouest?

Une voix: Pourquoi pas d'abord la modification, monsieur le président?

Le président: Je crois qu'il serait plus simple de modifier légèrement la motion et...

M. Horner: Il serait convenable que le président accepte la modification proposée et...

Le président: La motion de M. Gleave se lirait donc comme suit:

Que le Comité demande à la Chambre permission de voyager à travers l'ouest du Canada du 9 avril 1969 au 20 avril 1969. Et de plus, que l'objet principal du Comité soit d'examiner la situation de l'industrie céréalière dans cette région.

Telle qu'elle se présente, cette motion est suffisamment large. Il n'est question d'aucune province en particulier.

Vous avez entendu la motion, monsieur Burton.

M. Burton: J'ai quelques observations à faire sur la modification proposée et qui semble en principe acceptable. Je limiterai le nombre de mes observations.

Le président: D'autres personnes ont des observations à faire. Je donnerai donc la parole à M. Cyr, puis à M. Burton et ensuite à MM. Lessard et Gauthier. Qu'en pense le Comité?

Une voix: Une question.

M. Whicher: Monsieur le président, j'ai une autre observation à ajouter. Maintenant que nous connaissons la proposition très sensée de M. Danforth, finissons-en une fois pour toutes et faisons quelque chose pour les agriculteurs canadiens. Nous savons tous qu'ils sont dans une situation déplorable. Nous pouvons continuer à parler pendant des mois...

Des voix: Bravo.

Le président: Messieurs, la question est mise aux voix. Ceux qui sont en faveur?

La motion est adoptée.

Mr. Roy (Laval): This shows the objectiveness of the Eastern people, as well of the

[Texte]

de l'Ouest. Comme je le mentionnais plus tôt, il faut considérer que, pour la cause de l'agriculture, nous perdons une semaine. L'ouverture de la Chambre aura lieu le 14, mais nous sommes très heureux de contribuer à l'expansion de l'agriculture canadienne en allant dans l'Ouest une semaine avant la date d'ouverture de la Chambre. Mais je pense que seul le Comité de l'agriculture accepte une telle chose. Je pense que tous les membres du Comité sont conscients de l'importance de l'agriculture et j'espère que cette collaboration durera tout le temps que nous siégerons. Nous avons également des problèmes dans l'Est et nous espérons avoir la même collaboration des membres qui viennent de l'Ouest pour trouver la solution à nos problèmes.

The Chairman: Mr. Danforth.

Mr. Danforth: Mr. Chairman, I do not wish to question in any way the reasons for the motion contrary to the one just passed, but would it not be an opportune time, since we

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appear to have a few moments, for us to express the determination that at a later date we will make a similar trip into eastern Canada in order to study the problems of that part of the country as well.

M. Côté (Richelieu): J'invoque le règlement, monsieur le président. Juste un mot pour noter que j'ai voté contre la motion, non pas parce que je ne voulais pas aller dans l'Ouest, mais tout simplement que la date proposée ne me convient pas. Le problème de l'Ouest m'intéresse énormément, mais cette date-là ne me convient pas. J'accepte la décision de la majorité parce que s'il faut attendre une date qui convienne à tous, nous n'irons jamais. Je voudrais être bien compris: si j'étais contre la motion, c'est parce que j'ai des engagements à cette date. Je vais faire l'impossible pour changer mes engagements.

Il ne faudrait pas non plus oublier une chose lorsqu'il est temps pour nous, les cultivateurs, de nous manifester, nous sommes prêts à tout sacrifier, même nos comtés, contrairement aux autres classes de la société. Les autres classes de la société prennent le temps d'aller visiter les gens pour bien les approfondir, pendant leur travail. Mais nous, les cultivateurs, sommes des bons gars, nous changeons la formule. Je trouve que c'est beau de la part de l'ensemble des cultivateurs. Mais je ne suis pas contre, cependant. Je ne suis pas contre le voyage, et je vais faire l'impossible pour y aller.

Mr. Chairman: Mr. Gauthier?

[Interprétation]

Western people. As I said before, we must consider that for the sake of agriculture, we are losing a week. The House will open on the 14th, but we are happy, however, to contribute to the extension of Canadian agriculture by going out West for one week before the opening of the House. I think we are the only ones—the Committee of Agriculture—who are accepting such a thing because we realize the importance of agriculture and I hope this co-operation will last for all our sittings. We also have problems in the East and we hope we are going to get the same co-operation from the Western members to find solutions to our problems.

Le président: Monsieur Danforth.

M. Danforth: Je ne discuterai pas des raisons qui ont poussé les membres à adopter une motion contraire à la précédente, mais il me semble qu'il n'est pas opportun d'expri-

mer notre intention d'effectuer plus tard une visite dans l'est du Canada pour étudier les problèmes de cette région.

Mr. Côté (Richelieu): On a point of order, Mr. Chairman, I just want to say a word. I voted against the Motion, not because I did not want to go out West, but because the proposed date does not suit me. But the Western problem does interest me greatly. But that date does not suit me so I will accept the decision of the Committee, because if we wait for a suitable date for all, we will never go. I want it well understood that if I was against the Motion, it is because I have engagements during that time. I will do my utmost to change these engagements. We must not forget one thing. When we farmers, when it is time to do something, we are ready to sacrifice everything, even our riding, to the other classes of the society. Other classes of society take the time to visit and to look during working hours. But we farmers are good guys, we change the formula so as to do our bit. That's very nice on the part of the farmers. I am in favour of the trip but it does not suit me as to time.

Le président: Monsieur Gauthier?

[Text]

M. Gauthier: Merci, monsieur le président. Je veux tout simplement expliquer mon opposition à la motion. Vous prenez une semaine de nos vacances qui, pour nous, ne sont pas des vacances. Nous devons travailler jour et nuit, dans nos comtés, et nous devrions encore sacrifier nos vacances pour aller dans l'Ouest. Comme M. Côté le disait tout à l'heure, nous nous soumettons à la majorité. Mais je trouve curieux que la majorité soit toujours du côté de l'Ouest. Et je me demande sincèrement ce qui arriverait si nous demandions aux gens de l'Ouest de venir étudier dans l'Est pendant leurs vacances.

Maintenant, je veux tout simplement attirer votre attention sur le fait que, nous aussi, avons des problèmes dans l'Est, surtout depuis trente ans. Et nous et nos problèmes semblons ignorés pas des gens de l'Ouest. Et je voudrais tout simplement insister ici pour que, lorsque nous demanderons aux gens de l'Ouest de venir enfin dans les provinces de l'Est, de nous accompagner et de ne pas se soustraire à leur travail, ils viennent aussi dans l'Est pour étudier la situation sur place.

Nous irons deux fois dans l'Ouest alors que nous avions promis, lors du dernier voyage, le prochain voyage se fera dans l'Est. Nous attendons depuis deux ans, mais rien ne s'est encore produit. Nous invitons le Comité, et tout particulièrement les gens de l'Ouest, à jeter un regard sur les problèmes de l'Est, et à montrer autant de bonne volonté que nous. S'ils le font, je crois que cela ira mieux à la grandeur du Canada.

Mr. Peters: Mr. Chairman, on a point of order. I have been a member of this Committee for 10 years now and in that time this Committee has never to my knowledge received a request from any organization in the East to visit any segment of eastern Canadian agriculture. I think it is unfair to make the statement that we go to the West but not to the East. We have gone to the West for specific purposes on specific invitations, and I think it should be up to some of the agencies in Eastern Canada to make an invitation to the Committee if they wish us to visit them. We would not, in my opinion, be in a very good position...

An hon. Member: On a point of order, Mr. Chairman.

The Chairman: Gentlemen, I think these points of order will serve no useful purpose. I am sure that all members of the Committee will be just as eager to go east as the western members are eager to have us go west at this particular time.

[Interpretation]

Mr. Gauthier: Thank you, Mr. Chairman. I just want to explain why I oppose the motion. Simply, you are taking one week of our holidays away from us. These are not true holidays for us. We have to work in our riding night and day and we have to give up these holidays to go West. As was said, we are submitting to the majority vote and I find it funny the majority is always in favour of the Western farmers and I am wondering whether they would come and study the farming situation in the Eastern part of Canada, I wonder what they would say.

I just want to draw this to the attention of the Committee because we too have problems in the East especially for the last 30 years and we have been ignored. They seem to have ignored our problems—the Western people have and I just want to point out that when we will ask the Western people to finally come and visit the Eastern provinces, I hope they will come and not withdraw. I want them to come also to the Eastern part of Canada and consider our problems.

We will have gone twice out West when on the last Western trip we said the next trip will be out East. We have been waiting now two years and yet there have been no repercussions nor effects. We invite the Committee, and especially the Western people to come and study our Eastern problems and to show as much good will as we do. If they do, I think everything will go better in Canada.

M. Peters: Un appel au Règlement, monsieur le président. Je suis membre du Comité depuis dix ans et pendant tout ce temps notre Comité n'a jamais, que je sache, reçu d'invitation d'un organisme de l'est d'aller visiter l'est du pays. Je crois qu'il est injuste de dire que nous allons visiter l'ouest mais que nous n'allons pas dans l'est. Nous allons dans l'ouest dans un but bien précis à la suite d'une invitation, je crois qu'il appartient aux organismes de l'est du Canada de nous inviter. Je crois qu'il ne conviendrait pas que...

Une voix: Un appel au Règlement, monsieur le président.

Le président: Messieurs, il me semble que ces points d'ordre n'avancent à rien. Je suis sûr que tous les membres du Comité manifesteront autant d'empressement pour aller dans l'Est que les députés de l'Ouest quand il s'agit d'aller dans l'Ouest.

[Texte]

Mr. Gleave: I merely wanted to ask what happened to the National Farmers Union.

Mr. Pringle: Mr. Chairman, may I make a motion?

The Chairman: You may make a motion.

Mr. Pringle: I move, seconded by Mr. Douglas:

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That the subcommittee of the Standing Committee on Agriculture take immediate steps to plan a trip into Eastern Canada at a date considered acceptable to representatives of Eastern farmers.

The Chairman: You have heard the motion.

Mr. Roy (Laval): On a point of order, Mr. Chairman.

The Eastern people never make a request to organize a trip in the East but I remember at the time I was not a member of Parliament, and I remember it well, the Ontario and Quebec farmers were here—over 28,000 to present a brief on behalf of the agricultural community. That might be the reason they did not have to go on a trip in the East.

The Chairman: Gentlemen, we have a motion before the meeting. May I read it? It is moved by Mr. Pringle...

Mr. McKinley: Just a minute, Mr. Chairman. I want to say a word of explanation concerning the feelings of the people from the East. At the present time the build-up of grain in the West jeopardizes very much the position of the Eastern farmers and if it can be cured and the grain gotten rid of this will do more for the Eastern farmers—I do not care whether it is Ontario or Quebec; they are both the same—than any one thing. If it is not gotten rid of and it goes into hogs, cattle, milk, poultry and turkeys our Eastern farmers will be out of business, and I think we should be going to where we can do the most good.

Mr. Roy (Laval): It is not a bad feeling from the Eastern people. I vote for the motion and we have the people who use your grain. We know it is quite a problem.

[Interprétation]

M. Gleave: Je voulais seulement demander ce qu'il advient du Syndicat national des cultivateurs.

M. Pringle: Monsieur le président, puis-je présenter une motion?

Le président: Vous pouvez présenter une motion.

M. Pringle: Secondé par M. Douglas, je propose:

Que le sous-comité du Comité de l'Agriculture prenne immédiatement l'initiative de projeter une tournée dans l'Est du Canada à une date qui soit acceptable aux représentants des cultivateurs de l'Est.

Le président: Vous avez entendu la motion.

M. Roy (Laval): Un appel au Règlement, monsieur le président.

Les gens de l'Est ne demandent jamais d'organiser un voyage pour aller dans l'Est mais je me souviens qu'alors que je n'étais pas encore député, je m'en souviens bien, les cultivateurs de l'Ontario et du Québec sont venus ici au nombre de 28,000 pour présenter un mémoire au nom de la collectivité agricole. C'est peut être la raison pour laquelle ils n'ont pas eu à faire un voyage dans l'Est.

Le président: Messieurs, nous sommes saisis d'une motion. Je vais la lire. Proposé par M. Pringle...

M. McKinley: Un instant. Un mot d'explication. Au sujet des griefs des gens de l'Est, il semble qu'à l'heure actuelle l'accumulation du grain de l'Ouest est une question très sérieuse et compromet beaucoup la situation des fermiers de l'Est. Si on pouvait trouver un remède et se débarrasser du blé, ceci accomplirait davantage pour les fermiers de l'Est. Peu importe si c'est l'Ontario ou le Québec: la situation est la même. Si nous ne l'écoulons pas et si le grain va aux porcs, au troupeaux de bétail, à l'industrie laitière, à la volaille et aux dindons, nos fermiers de l'Est seront en mauvaise posture et je crois que nous devrions nous orienter où cela pourrait faire le plus de bien.

M. Roy (Laval): Ce n'est pas de la rancune de la part des gens de l'est. J'ai voté en faveur de votre motion et nous sommes les gens qui utilisons votre grain. Nous savons que cela représente un problème.

[Text]

[Interpretation]

The Chairman: Gentlemen, the question has been called. It has been moved by Mr. Pringle, seconded by Mr. Douglas that:

The subcommittee of the Standing Committee on Agriculture take immediate steps to plan a trip into Eastern Canada at a date considered acceptable to representatives of Eastern Canada.

You have heard the motion. All those in favour, please signify. All those opposed, please signify.

Mr. Gauthier, may I recognize you.

Mr. Horner: ...to go to Eastern Canada and study and see their problems—the first time we have been asked.

The Chairman: Gentlemen, please! Order! Gentlemen, may I recognize Mr. Gauthier.

Mr. Gauthier: Monsieur le président, je veux attirer l'attention du Comité sur le dernier vote. Cette proposition avait été discutée au comité directeur, au sujet du voyage dans l'Est. Pourquoi apporter ici une autre proposition? C'est décidé, le Comité s'y rendra. Il ne reste qu'à choisir la date. Qu'on se décide. On a parlé tout à l'heure du voyage dans l'Ouest; je vous l'ai dit, nous sommes en faveur, mais nous sommes contre le fait de prendre toutes nos vacances pour aller dans l'Ouest.

The Chairman: I think, Mr. Gauthier, in all fairness that this is the first time the Committee has really put on record its desire to go to Eastern Canada and observe the problem—by motion, that is. Gentlemen shall Item One stand? Item 1 stood. The meeting is adjourned to the call of the Chair.

Mr. Peters: Mr. Chairman, on a point of order.

The Chairman: The meeting is adjourned.

Mr. Gleave: What are you going to do with the Farmers Union? Surely you can tell us that.

Mr. Peters: Mr. Chairman, is it the intention of the Chair to have this Committee reconvene this afternoon if the National Farmers Union is in town?

The Chairman: No; by way of explanation may I tell you that I called the National Farmers Union yesterday afternoon and extended an invitation for them to be here at 10:30 this morning. I requested that they inform us whether or not they were going to be here. I have received no information so there is nothing more I can do. I assumed

Le président: Il a été proposé par M. Pringle, appuyé par M. Douglas, que:

Le sous-comité de l'agriculture du Comité permanent de l'agriculture projette une tournée dans l'Est du Canada, à un moment qui conviendra aux gens de l'Est.

Ceux qui sont en faveur? Veuillez lever la main. Tous ceux qui ne le sont pas, veuillez lever la main.

Mr. Gauthier puis-je vous donner la parole?

M. Horner: Aller dans l'Est pour étudier leurs problèmes. Je crois que c'est la première fois qu'on nous le demande.

Le président: A l'ordre s'il vous plaît! Monsieur Gauthier, puis-je vous donner la parole?

Mr. Gauthier: Mr. Chairman, I want to point out to the Committee that what we have just voted, this was discussed in the Steering Committee, this Eastern trip. Why are we coming in with another motion? It is decided we are going there. We are trying to decide on the time to go. This is a joke. We have decided on this we spoke about the Western amendment. We are in favour of the Western trip but we are not in favour of taking our holidays, all our holidays for this trip.

Le président: Je crois M. Gauthier, en toute justice, que le Comité a vraiment versé au dossier son désir d'aller dans l'est du Canada pour observer quel est le problème. Je dis bien à la suite d'une motion. Messieurs, l'article un est-il réservé. L'article un est réservé. L'assemblée est ajournée après décision du président.

M. Peters: J'invoque le Règlement, monsieur le président

Le président: L'assemblée est levée.

M. Gleave: Qu'allez-vous faire dans le cas du syndicat des cultivateurs. Sans doute, vous pouvez nous dire cela.

M. Peters: Monsieur le président, est-ce qu'il va y avoir une autre séance du Comité cet après-midi si le syndicat national des cultivateurs est en ville?

Le président: Non. Comme explication je vous dirai que j'ai appelé le Syndicat des cultivateurs hier après-midi et je leur ai donné l'invitation d'être ici ce matin à 10 h. et demi. Je leur ai demandé que s'ils étaient pour être ici ou non, ils devraient nous aviser. Je n'ai pas eu de réponse, alors il n'y a rien que je puisse faire. J'ai pensé que puis-

[Texte]

that when the invitation was extended they would be here. Since they are not here no provisions have been made.

An hon. Member: That is how interested the Western farmers are in the Agriculture Committee.

[Interprétation]

que l'invitation avait été faite, des représentants seraient ici. Puisqu'ils ne sont pas ici, nous ne pouvons rien faire.

Une voix: Voilà comment les cultivateurs de l'ouest s'intéressent au Comité de l'agriculture.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 24

TUESDAY, MARCH 11, 1969

LE MARDI 11 MARS 1969

Respecting

Concernant

Estimates (1969-70) relating to the
Department of Agriculture

Budget des dépenses de 1969-1970 concer-
nant le ministère de l'Agriculture

Appearing:

A comparu:

Minister of Agriculture

Hon. H. A. Olson

Ministre de l'Agriculture

WITNESS—TÉMOIN

(See Minutes of Proceedings)

(Voir les procès-verbaux)

The Queen's Printer, Ottawa, 1969
L'Imprimeur de la Reine, Ottawa, 1969

STANDING COMMITTEE ON
AGRICULTURE

COMITÉ PERMANENT DE
L'AGRICULTURE

Chairman
Vice-Chairman

Mr. Bruce S. Beer
M. Marcel Lessard
(*Lac-Saint-Jean*)

Président
Vice-président

and Messrs.

Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas (*Assiniboia*),
Foster,
Gauthier,
Gleave,
Horner,
Howard (*Okanagan*
Boundary),

Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lind,
¹ McBride,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),
Peters,
Pringle,

et MM.

Roy (*Laval*),
⁴ Smith (*Saint-Jean*),
Southam,
² Thomson (*Battleford-Kindersley*),
¹ Turner (*London East*),
Whelan,
Whicher,
Yanakakis—30.

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

¹ Replaced Mr. Barrett on March 7, 1969.

² Replaced Mr. Burton on March 7, 1969.

³ Replaced Mr. Cyr on March 10, 1969.

⁴ Replaced Mr. Stewart (*Okanagan-Kootenay*) on March 10, 1969.

¹ Remplace M. Barrett le 7 mars 1969.

² Remplace M. Burton le 7 mars 1969.

³ Remplace M. Cyr le 10 mars 1969.

⁴ Remplace M. Stewart (*Okanagan-Kootenay*), le 10 mars 1969.

ORDER OF REFERENCE

MONDAY, March 10, 1969.

Ordered,—That the Standing Committee on Agriculture be authorized to travel from place to place in western Canada, from the 9th of April, 1969, to the 20th of April, 1969, that its principal purpose shall be to examine the circumstances of the grain industry as it exists in that area, and that the necessary staff do accompany the Committee.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

ORDRE DE RENVOI

Le LUNDI 10 mars 1969.

Il est ordonné,—Que permission soit accordée au comité permanent de l'agriculture de se déplacer à travers l'Ouest du Canada, du 9 avril au 20 avril 1969, afin d'étudier principalement la situation actuelle de l'industrie céréalière dans cette région, et que le personnel nécessaire accompagne le comité.

ATTESTÉ:

Le Greffier de la Chambre des communes,
ALISTAIR FRASER.

(Text)

MINUTES OF PROCEEDINGS

TUESDAY, March 11, 1969.
(27)

The Standing Committee on Agriculture met at 9:46 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas (*Assiniboia*), Gauthier, Gleave, Korchinski, Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), McKinley, Moore (*Wetaskiwin*), Peters, Pringle, Roy (*Laval*), Southam, Thomson (*Battleford-Kindersley*), Turner (*London East*), Whicher, Yanakis—(21).

Appearing: The Honourable H. A. Olson, Minister of Agriculture.

Witness: Mr. S. B. Williams, Deputy Minister of Agriculture.

The Committee resumed consideration of Item 1 of the 1969-70 Estimates relating to the Department of Agriculture.

It was agreed that Item 5 of those Estimates, under "RESEARCH", would be considered at the Committee's next meeting.

On Item 1, the Minister and Mr. Williams answered questions.

Item 1 was allowed to stand.

At 11:02 a.m., the Committee adjourned to the call of the Chair.

Michael A. Measures,
Clerk of the Committee.

(Traduction)

PROCÈS-VERBAUX

Le MARDI 11 mars 1969.
(27)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 46, sous la présidence de M. Beer.

Présents: MM. Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas (*Assiniboia*), Gauthier, Gleave, Korchinski, Lambert (*Bellechasse*), Lessard (*Lac-Saint-Jean*), McKinley, Moore (*Wetaskiwin*), Peters, Pringle, Roy (*Laval*), Southam, Thomson (*Battleford-Kindersley*), Turner (*London East*), Whicher, Yanakis—(21).

A comparu: L'honorable H. A. Olson, ministre de l'Agriculture.

Témoin: M. S. B. Williams, sous-ministre de l'Agriculture.

Le Comité reprend l'examen du crédit 1 des prévisions budgétaires du ministère de l'Agriculture pour l'année 1969-1970.

Il est convenu d'examiner le crédit 5 de ces prévisions budgétaires, à la rubrique «RECHERCHES», à la prochaine séance du Comité.

Sur le crédit 1, le Ministre et M. Williams répondent à des questions.

Le crédit 1 est réservé.

A 11 h. 02 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

Le secrétaire du Comité,
Michael A. Measures.

[Texte]

EVIDENCE

[Recorded by Electronic Apparatus]

Tuesday, March 11, 1969.

● 0945

The Chairman: Gentlemen, I am informed that 16 members have been counted.

When the Committee rose we were considering Item 1 of the Estimates and I presume that the Committee will want to continue discussing Item 1 until all opening statements have been expressed. Then I assume the Committee might wish to move on to Item 5.

In the meantime the Minister and the departmental officials would like to have some idea of what you would like to discuss on Thursday so that they might have the appropriate officials here. May we leave that until the conclusion of the meeting and indicate it to you then?

Hon. H. A. Olson (Minister of Agriculture): Yes, I think that would be fine.

The Chairman: Do you have some comments, Mr. Minister?

Mr. Olson: Mr. Chairman, there are a number of Branches, of course, that members will want to study such as Research, Production and Marketing, and Health of Animals. It would be helpful if we could have some idea at a prior meeting which particular Branch you want to discuss so that we would have the appropriate officials here. On Thursday, it will not be possible for me to be present so it would be helpful if we could have some indication of which officials you would like to question on that day.

Mr. Danforth: I can appreciate the problem before the Minister and the staff and I am wondering if this morning we might perhaps allow a wide-ranging and general question area on Item 1. Personally, I would like to suggest that Thursday be devoted to a start on the research program in order to have the witnesses here to give us the general working of the research program, the administration and the field. Then perhaps we could go on and deal in depth with that particular vote as a separate part under the new proposed estimates.

Before we get into this, on a point of order, Mr. Chairman, we were informed that an

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Le mardi 11 mars 1969

Le président: Messieurs, nous sommes seize.

Lorsque la dernière séance a été levée nous étudions le crédit 1 des prévisions budgétaires. Je suppose que vous voudrez poursuivre cette étude après quoi nous passerons au crédit 5.

Pour l'instant, le ministre et ses fonctionnaires aimeraient savoir ce dont nous allons discuter jeudi afin de s'assurer de la présence des fonctionnaires appropriés. Pouvons-nous attendre jusqu'à la fin de la séance pour vous faire part de ces détails, monsieur le ministre?

L'hon. H. A. Olson (ministre de l'Agriculture): Certainement.

Le président: Désirez-vous faire une déclaration, monsieur le ministre?

M. Olson: Le ministère comporte diverses Directions et les membres de ce Comité voudront certes poser des questions sur l'une ou l'autre de ces Directions. Il nous serait utile de savoir, à l'avance, sur quelle Direction vous aimeriez faire porter vos questions afin que nous puissions déléguer ici les fonctionnaires appropriés. Jeudi, je ne pourrai être présent. Il serait donc utile que nous sachions dès maintenant quels fonctionnaires vous voudriez pouvoir interroger.

M. Danforth: Je comprends le problème du ministre et de ses collaborateurs. Je me demande si, ce matin, il ne serait pas possible de permettre des questions d'ordre général, face à l'étude du crédit 1. Personnellement, je suggère que, jeudi, nous entreprenions l'étude du programme de recherches afin que nous puissions questionner les fonctionnaires du ministère sur la façon dont se déroule ce programme et sur son administration. Nous pourrions par la suite étudier ce crédit plus en détail.

Question d'ordre, monsieur le président, on nous avait dit qu'un certain groupe devait se

[Text]

invitation had been accepted for an agriculture group to be present last week and although we waited they were not available. May I enquire, Mr. Chairman, if there was any explanation why this group was unable to meet with us at that time? Was any explanation forwarded?

The Chairman: There has been no explanation. The Committee would be entitled to know the history of the situation. The National Farmers Union asked to appear before the Committee on Thursday of last week and it was generally agreed that we would hear that group at 10.30 in the morning and an invitation was communicated to the National Farmers Union through Mr. Stuart A. Thiesson. I particularly asked that they let us know whether or not they would be here. I got no information on that point and I assumed that they would be coming. I have not had any further information as to why they did not come. There has been no communication.

Mr. Danforth: Mr. Chairman, now can we perhaps deal with the suggestion that we stay on Item 1 today because under Item 1 we can range over the whole agriculture program while the Minister is here.

The Chairman: You may have noticed, that we have this room only until 11 o'clock so our meeting will be brief this morning. We also have a suggestion that this morning be used for general questioning under Item 1 and that on Thursday we proceed with the Research Department, which I believe is Vote 5. Does this meet with the approval of the Committee?

Some hon. Members: Agreed.

The Chairman: Then the meeting is open for questioning. Will you indicate your desire to ask questions? Mr. Thomson, I recognize you.

Mr. Thomson (Battleford-Kindersley): Thank you, Mr. Chairman. I have several questions to start with. First, there is the matter of an Item on page 11, Contributions to the Superannuation Account. Why is there this sudden jump here?

The Chairman: Is that in the Blue Book?

Mr. Thomson (Battleford-Kindersley): Yes, it is on page 11 of the Blue Book. It jumps from \$7 million to almost \$12.5 million, Contributions to the Superannuation Account.

Mr. Chairman, while they are looking may I ask another question in connection with the

[Interpretation]

présenter devant le Comité, la semaine dernière, mais bien que nous ayions attendu, il ne s'est pas présenté. Puis-je demander pourquoi ce groupe n'a pu se présenter à ce moment-là. Avons-nous reçu des explications?

Le président: Non, mais le Comité a certes le droit de savoir ce qui s'est produit. La *National Farmer's Union* avait demandé que le Comité reçoive ses représentants jeudi dernier. Il avait été décidé que nous les recevions à dix heures trente. L'invitation faite à cet organisme a été adressée à monsieur Stuart A. Thiesson. J'avais bien demandé qu'ils nous fassent savoir s'ils viendraient ou non. Comme je n'ai pas reçu de réponse, j'ai supposé qu'ils viendraient. Et je n'ai pas su pourquoi ils ne sont pas venus.

M. Danforth: Nous pouvons peut-être nous en tenir à la suggestion qui a été faite et étudier le crédit 1 ce qui nous permettra de poser une foule de questions sur l'ensemble du programme agricole pendant que le ministre est ici.

Le président: Vous avez peut-être remarqué que nous n'avons cette salle que jusqu'à onze heures, ce qui signifie que notre séance devra être de courte durée. On nous a proposé de profiter de cette réunion pour poser des questions d'ordre général et de réserver jeudi à l'étude de la question des recherches, qui est le crédit 5. Est-ce que vous êtes d'accord?

Des voix: D'accord.

Le président: Eh bien alors maintenant, messieurs, vous avez la parole. Vous pouvez poser les questions. Monsieur Thompson, vous avez la parole.

M. Thompson (Battleford-Kindersley): Eh bien, monsieur le président, j'ai un certain nombre de questions pour commencer. Tout d'abord, il y a une question portant sur la page 11, c'est-à-dire, contributions au fonds de retraite. Est-ce que vous pouvez me dire pourquoi il y a un saut si brusque ici?

Le président: Est-ce dans le Livre bleu?

M. Thompson (Battleford-Kindersley): Dans le Livre bleu, il y a un saut de \$7 millions à près de \$12 et demi millions, contributions au compte de pensions de retraites. Monsieur le président, pendant qu'il cherche, est-ce que je pourrais vous poser une question concernant

[Texte]

contribution to the National Grains Council. Speaking for myself only, I am still a little bit vague about the intents and purposes of the National Grains Council and what it is going to be, and I wonder whether we could have a statement from the Minister, since he is here, on this particular item. Just what we are going to do with the National Grains Council?

Mr. Olson: Mr. Chairman, I made a statement in the House about that some time ago. However, if there are still some questions I am prepared to try to answer them. Very briefly, in reply to the question, we hope that the National Grains Council will be a forum where representatives of all sectors of the grain industry—the producers, the elevator companies, the transportation companies, the terminal operators, the shippers, and indeed even some of the milling and baking industry, although the representation is not large from that part of it—will get together from time to time on a more or less formal basis and discuss the problems that have arisen within their section of the industry so they can discuss them and try to find solutions. That, generally is the purpose.

Now, they are also charged with the responsibility of attempting to find better ways of promoting the sale of Canadian grains, and this includes a number of things such as the consideration of what standards Canada ought to have. For example, we have followed the qualification as far as milling and baking is concerned of marquis or better for a very long while, and it is now being questioned whether we should confine our licensing in the area where bread wheats are grown to this quality.

Then, of course, there are other matters about varieties that are grown, and so on, generally. I should inform you that the Grains Council have undertaken as their top priority item for consideration—and that meeting, I believe, is in a few days—the matter of the transportation aspect of the grain business.

● 0955

We ran into some problems, as you know, with the severe cold weather and other things when we were unable, perhaps to deliver the grain to the West Coast export or terminal position as rapidly as would have been desirable. This was during a certain number of weeks when the temperatures were very low. Another matter for consideration is the equipment that is being used, and all of the other techniques involved.

[Interprétation]

la contribution à la cotisation au Conseil national des grains? Est-ce qu'on pourrait avoir une déclaration du ministre sur ce point pour nous indiquer ce que va être le Conseil national des grains?

M. Olson: Monsieur le président, j'ai fait une déclaration à la Chambre à ce sujet il y a quelques temps déjà, toutefois si des questions me sont posées à ce sujet, je m'efforcerai de vous répondre brièvement. J'espère que le Conseil national des grains sera une tribune où les représentants de tous les secteurs de l'industrie, producteurs, compagnies d'éleveurs, de transport, exploitant des terminus, expéditeurs; y compris même les meuniers, les boulangers, tout le monde pourra venir devant cet organisme et les porte-parole de tous ces secteurs d'activité pourront se réunir de temps en temps sur une base plus ou moins officielle et discuter ensemble des problèmes qui se sont posés dans leurs secteurs d'activité pour pouvoir ainsi y trouver une solution. Voilà la façon générale dont l'organisme va fonctionner.

Il va s'agir également de trouver un moyen de favoriser, de développer les ventes de céréales canadiennes et pour cela, il y aura plusieurs sujets, notamment l'étude des normes que devrait imposer le Canada, par exemple, nous avons suivi les normes fixées pour le blé marquis ou mieux et nous cherchons à avoir au moins cette qualité, maintenant il y a eu d'autres questions également touchant les variétés de céréales. Je voudrais vous dire également que le Conseil national des grains a accepté comme sujet prioritaire, l'étude d'un point portant sur les transports des céréales.

Il y a eu des problèmes comme vous le savez à la suite du grand froid et d'autres éléments qui nous ont empêchés peut-être de livrer les céréales aux exportateurs de la côte Ouest aussi rapidement qu'il eut été souhaitable de le faire pendant plusieurs semaines, alors que les températures étaient très basses. Cela ajouté au problème de la nature du matériel utilisé et des autres techniques employées; voilà les aspects de cette étude.

[Text]

I cannot tell you when they will get around to other things, but I would like the Grains Council to consider this matter of quality and standards soon. I would like them to take under consideration a number of matters with respect to some new varieties that are coming on the market, because certainly conflicting advice and recommendations are coming to my Department respecting these matters.

Generally, to sum up, the purpose of it is to consider all of the problems that arise from time to time and have formal meetings on a regular basis where all of these people get together and talk about these things so that we can come up with what may be a consensus from the whole industry on what steps ought to be taken to enhance the position of the grain producers.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I have another question or two in connection with this. I take it the Grains Council is a sort of task force, if you will, with power to recommend. Is there some intention to assess the grain industry to help to defray part of the cost here?

Mr. Olson: Yes, there is. Of course, it will be on a voluntary basis, but I should say that while I think two of the producer groups have passed resolutions at their annual meetings to deduct one-tenth of a cent a bushel from the grain flowing through their elevator systems as their contributions, we expect that all the other members of the Council will be assessed and will be making contributions to help to defray the costs as well.

Mr. Thomson (Battleford-Kindersley): Concerning the other question that I raised, these people have only the power to consider and make recommendations. Is this correct?

Mr. Olson: They have not been given any—I suppose the right words are “delegated authority”. In other words, no act has been passed through Parliament giving them specific legislative authority to administer. At their meeting they decided they would like to be set up as a company or a corporation under the Companies Act, and this is now going forward, rather than by a special act of Parliament.

There are a number of reasons for that. I suppose the most important one is that they felt they should have some independence from the government so that they would not be directly responsible to the government but could have a somewhat greater

[Interpretation]

Je ne peux pas vous dire maintenant quand ils vont aborder d'autres sujets, mais j'aimerais que le Conseil national des grains étudie la question des normes et de la qualité. Très bientôt j'aimerais qu'ils étudient un certain nombre de points portant sur les nouvelles variétés qui entrent sur le marché, car il y a certainement des avis contraires qui sont envoyés à mon ministère à ce sujet. Disons donc, qu'en général le but du Conseil est d'étudier tous les problèmes qui se posent à l'occasion et d'avoir une réunion officielle permanente, permettant à toute une série de personnes de discuter ensemble de leurs problèmes et d'obtenir l'avis général de ce secteur d'activité afin de voir les mesures à prendre pour améliorer la situation.

M. Thompson (Battleford-Kindersley): Monsieur le président, j'ai également quelques questions à vous poser à ce sujet. Je conclus donc que le Conseil national des grains est en quelque sorte un groupe d'étude qui est habilité à faire des recommandations. J'ai une autre question à vous poser à ce sujet. Est-ce qu'il est prévu d'envisager la possibilité que les cultivateurs contribuent à défrayer une partie des coûts engagés?

M. Olson: Oui, je pense, mais ce serait sur une base volontaire. Je pense que deux groupes de producteurs ont voté des recommandations, des résolutions dans leurs réunions annuelles afin d'allouer un dixième de un pourcent de leurs revenus, à titre de contributions à cette entreprise et nous espérons que d'autres groupes de producteurs en feront autant.

M. Thompson (Battleford-Kindersley): Et l'autre question que j'avais soulevée. Ces gens ne peuvent faire qu'une chose, étudier et faire des recommandations, n'est-ce pas?

M. Olson: Ils n'ont pas reçu de délégation de pouvoir pour autant que je sache. Ils n'ont pas de pouvoir législatif. Ils ont décidé, lors de leur réunion, de se constituer en société, en vertu de la Loi sur les sociétés et c'est une mesure qui est en cours de réalisation.

Ils pensaient d'une part qu'ils devaient être assez indépendants du gouvernement pour ne pas être directement responsables envers le gouvernement. Ils voudraient avoir un certain degré de liberté pour étudier certaines questions et formuler des recommandations, et

[Texte]

level of freedom to consider and to make recommendations.

Also the view was expressed that there would be some danger in delegating to this Council what may amount to parallel authority; the function of the Canadian Wheat Board, for example. If there was, in fact, some parallel of authority it was thought this may at times be conflicting in that they may not see eye to eye on some matters.

Therefore, it was their considered opinion that they should be set up as a corporation under the Companies Act, rather than under a special act of Parliament although we are prepared, as a government, to propose legislation to Parliament had that been the manner in which they wanted to set up their legal entity.

There is one point that I should probably add to the other answer I gave. Under the Terms of Reference they have agreed to is the following:

4. Examine ways and means by which it could effectively assist in the promotion of exports of Canadian grains and grain products and recommend thereon to the Ministers, and implement agreed programs for its participation in assisting the promotion of exports;

Now, this may be somewhat different and yet similar to the Canadian Wheat Board in that they have in their Terms of Reference the authority to undertake programs of promotion of grain in the export market. Agreed programs.

The Chairman: Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): I will pass, Mr. Chairman. Could I have the answer at another time to my other question?

Mr. Olson: I am sorry if I missed answering.

Mr. Thomson (Battleford-Kindersley): I asked for some statistics. We could perhaps have them a little later if they are not ready now.

The Chairman: Mr. Williams.

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): I might mention in explanation that these items listed on page 11 before Vote 1 are not votes of this Department. They are votes that appear in other departments and the expenditure is made in other departments on behalf of this Depart-

[Interprétation]

également il a été reconnu qu'il serait dangereux de déléguer ce qu'on pourrait appeler des pouvoirs parallèles, à ceux par exemple de la Commission canadienne du Blé.

Et ils ont considéré que si cette délégation de pouvoir était accordée, il y aurait peut-être des conflits et les deux organismes ne seraient peut-être pas d'accord sur certaines questions et ils ont donc préféré que cet organisme se constitue en tant que société en vertu de la Loi sur les sociétés plutôt qu'en tant que commission. Nous étions prêts, au niveau gouvernemental, de soumettre une loi au parlement, si ça avait été là la solution qu'ils auraient choisies. Je voudrais également ajouter autre chose; c'est que d'après leur mandat, ils ont accepté: «d'examiner les moyens par lesquels il serait possible d'aider l'expansion des exportations des céréales et des produits des céréales, de recommander au ministre d'appliquer des programmes favorisant l'exportation.» Il s'agit peut-être là d'un organisme semblable à la Commission canadienne du Blé. Pourtant il y a une différence, en ce sens qu'ils ont le pouvoir d'entreprendre des programmes de promotion des ventes et des exportations. Pourtant, il y a une différence, en ce sens qu'ils ont le pouvoir d'entreprendre des programmes de promotion des ventes d'exportation. Programmes acceptés.

Le président: Monsieur Thomson.

M. Thomson (Battleford-Kindersley): Je cède mon tour, monsieur le président. Est-ce que vous pouvez me donner la réponse plus tard à l'autre question?

M. Olson: Je m'excuse si je n'ai pas répondu.

M. Thompson (Battleford-Kindersley): Je voulais avoir quelques statistiques que vous pourriez peut-être nous donner plus tard si vous n'êtes pas prêt maintenant.

Le président: Monsieur Williams.

M. S. B. Williams (Sous-ministre de l'Agriculture): Disons, à titre d'explication, que ces articles figurant à la page 11, au crédit 1, ne sont pas des crédits relevant de notre ministère. Il s'agit de crédit qui figurent dans d'autres ministères qui font les dépenses au nom de notre ministère. Autrement dit, nous n'a-

[Text]

ment. Therefore I am afraid we do not have that information, but we are obtaining it. That particular item is in the Treasury Board estimates.

Mr. Thomson (Battleford-Kindersley): Thank you, Mr. Chairman.

Mr. Gleave: Could I ask a supplementary question?

The Chairman: Mr. Gleave.

Mr. Gleave: Mr. Minister, will all the reports or studies which the Canada Grains Council undertakes be made public. Will they report to the government so that those reports may come to this Committee or be public knowledge?

Mr. Olson: Mr. Chairman, generally speaking I think that would be the case. But I should read Item 8 of the Terms of Reference, and it is:

The Canada Grains Council shall report its recommendations directly to Ministers, and subsequently make public such findings and recommendations as are approved by its members in session, except on specific matters on which Ministers have requested the Council's confidential advice;

So, as I said, generally speaking they will be made public. However, there is a reservation that if Ministers of the government request confidential advice on a matter, this would not be a public document.

Mr. Gleave: And in financing, it is proposed that they shall draw their money from farmers in the form of a levy or tax on farm production?

Mr. Olson: No, that is not proposed by us at all. That is their own decision to make as to how or in what amounts the assessments will be made to the member organizations of the Council.

Mr. Gleave: Is this Council then going to be allowed to make a voluntary or compulsory levy on grain in order to raise their funds?

Mr. Olson: No, the Council does not have any authority to make any compulsory deduction from any grain sales at the present time. And even though some of the wheat pools, for example, or any of the grain companies were to pass resolutions in their meetings for a deduction from grain, I think we would have to look at that very carefully and decide

[Interpretation]

vous pas encore ces renseignements; ils nous parviennent peu à peu. Il s'agit là d'un point particulier du budget du Conseil du Trésor.

M. Thomson (Battleford-Kindersley): Merci.

M. Gleave: Puis-je poser une question complémentaire?

Le président: Monsieur Gleave?

M. Gleave: Monsieur le ministre, est-ce que tous les rapports et études de la Commission canadienne des céréales vont être rendus public? Est-ce qu'il sera rendu compte au gouvernement pour qu'on puisse en prendre connaissance au Comité, ou communiqués au public?

M. Olson: Monsieur le président, en général je pense que ce sera le cas. Mais je voudrais vous lire l'article 8 du mandat:

«La Commission canadienne des céréales fera connaître ses recommandations directement au ministre et, par la suite, rendra publiques les conclusions et les recommandations qui seront approuvées par ses membres en session, sauf sur les questions particulières où le ministre a demandé le conseil confidentiel de la Commission.»

Comme je l'ai dit ces recommandations seront rendues publiques. Il est toutefois prévu que, si les ministres du gouvernement consultent la Commission confidentiellement, le document ne soit pas rendu public.

M. Gleave: Et pour le financement, on propose que l'argent vienne des cultivateurs sous forme de prélèvements ou de taxes sur la production agricole?

M. Olson: Non, ce n'est pas ce que nous proposons du tout. C'est à eux de décider des montants versés aux sociétés membres de la Commission, ainsi que des modalités de paiement.

M. Gleave: Est-ce que la Commission va être autorisée à faire des prélèvements volontaires ou obligatoires sur les céréales afin d'obtenir les crédits nécessaires?

M. Olson: Non. La Commission n'a absolument aucun pouvoir en matière de déductions obligatoires sur les ventes de céréales actuellement. Et même, si certains syndicats ou compagnies de céréales ou de blé, devaient décider de faire des déduction sur les céréales, je pense que nous devrions étudier la question très soigneusement et décider si oui

[Texte]

whether or not we need to amend the legislation, whether in fact they could make a deduction from all deliveries. I suppose they could with consent of each individual, but we would have to have a look at that and see whether or not we do not need amendments to some of the statutes to make certain that they would have the authority. At the present time they do not have that authority. But they have volunteered so far.

I am not certain how many grain elevator co-operatives have, but one or two of them have already passed these resolutions in their meetings.

The Chairman: Mr. Gleave, you are next on my list after I recognize Mr. Clermont.

Mr. Peters: May I ask another supplementary question? I have been listening very carefully to the question and the explanation because I have been confused about what this grain council is planning to do. It would seem to me that in everything the Minister has said there is a duplication of either what the Board of Grain Commissioners is now doing in development of new grades and expansion of promotion concerning what we can sell other countries, or the Wheat Board's operation. This grain council is going to overlap

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both of them, and perhaps we should consider changing the legislation affecting both those organizations so that they could go into this field. My point is that both of these organizations are independent of both the producer and the export market.

Mr. Olson: Those organizations are what?

Mr. Peters: They are independent of the pressures that obviously will be put on this grain council. And perhaps the responsibility should have been theirs for making these decisions, rather than the trade itself.

Mr. Olson: I suppose I ought to read Item 7 of the Terms of Reference. It says:

Without duplicating or replacing existing departmental or agency functions, formulate recommendations which represent a consensus of the industry as a whole;

I know it is true that the Wheat Board has certain responsibilities. So does the Board of Grain Commissioners, and the Department of Agriculture for that matter in certain other areas. But up until now at least, the co-ordination has been on an *ad hoc* basis between all of these sectors of the grain industry and indeed certain other private sectors. And, as is pointed out, we hope that they will have meetings, which I am sure they will from time

[Interprétation]

ou non il faudrait amender la Loi et si, en fait, ils pourraient faire une déduction sur toutes les livraisons. Je suppose qu'ils pourraient le faire avec l'autorisation de chaque intéressé mais il faudrait que nous étudions la question pour savoir s'il n'y avait pas lieu de modifier certaines loi afin de voir à ce qu'ils en aient le pouvoir. Mais ils ne l'ont pas actuellement. Malgré tout, ils se sont portés volontaires.

Je ne sais pas exactement le nombre d'éleveurs à grain qu'ont les coopératives, mais certaines d'entre elles ont déjà voté ces résolutions en réunion.

Le président: Monsieur Gleave, vous êtes le prochain sur la liste, après M. Clermont.

M. Peters: Puis-je poser une ou deux autres questions? J'ai écouté très attentivement la question et la réponse parce que je ne comprends pas très bien ce que va faire cette Commission. Il me semble que, dans tout ce que nous a dit le ministre, il y a un chevauchement avec les activités de la Commission canadienne des grains dans le domaine de la création de nouvelles variétés, de nouvelles qualités, et de la promotion des ventes d'exportations, ou avec celles de la Commission canadienne du blé. Donc, il semble bien qu'il va y avoir un chevauchement dans leurs entreprises. Nous pourrions étudier ces deux organismes afin qu'ils puissent œuvrer dans ce domaine. Ces deux organismes sont indépendants du producteur et des marchés.

M. Olson: Sont quoi?

M. Peters: Ils sont indépendants des pressions, qui seront éventuellement exercées sur la Commission canadienne du blé. Ce serait peut-être à eux de prendre ces décisions et non aux responsables de l'industrie.

M. Olson: Je crois qu'il serait bon que je vous lise l'article 7 du mandat:

«Sans répéter ou remplacer les fonctions d'organismes actuels, formuler des recommandations qui représentent l'avis général de l'industrie entière.»

Je reconnais effectivement que la Commission canadienne du blé a certaines responsabilités devant la Commission canadienne des grains et le ministère de l'Agriculture dans certains cas. Mais jusqu'à présent, la coordination s'est faite sur une base *ad hoc* entre tous ces secteurs d'activités de l'industrie des céréales et certains secteurs privés. Comme il est indiqué, nous espérons qu'il y aura des réunions occasionnelles mixtes où ils se réuni-

[Text]

to time, when they will all get together on a formal basis and talk these things over so they have a consensus.

What is happening now is that conflicting but sincerely held opinions about whether or not we should change varieties and standards come to my office. What we could do is call a meeting, I suppose, and have them talk it out to reach a consensus. But what happens now is that there is no formal basis on which meetings with all sections can be held from time to time.

Mr. Peters: But is it not true that the Minister will be co-ordinating a third group which is in the same field as the other two groups, and that he is still going to have to make the decision?

Mr. Olson: A third group? I am not clear on that.

Mr. Peters: I do not come from Western Canada so I may perhaps be confused, but my understanding is that the grain commissioners' powers are very broad in the field of new grades and developments in the whole cereal grain sector, including transportation and a number of other things. And the Minister co-ordinate this, or makes the decision on how far they will go because it is really a part of the Minister's responsibility. The same is true with the Wheat Board, and there have been conflicting views over a period of time of how much authority the Minister has in sales, and even export sales. This new agency again is going to have to report to the Minister and in the final analysis the Minister will make the adjudication anyway.

Mr. Olson: Well I think that is partially correct, but I think it would be useful if these discussions on what changes should be recommended could be discussed in a meeting, as I said, where they could test their opinion and their knowledge against equally knowledgeable people in the industry and try to come to some consensus rather than have the Minister try and sort all of this out in his own mind.

Mr. Peters: Is this not really what you called this agricultural congress for, the congress that will be held in a week or two?

Mr. Olson: Yes, but we think that a very useful purpose can be served by having a continuity in these meetings, particularly in the grain industry where it appears that there are going to be some significant changes that may be beneficial. Certainly the agricultural

[Interpretation]

ront tous pour en discuter afin d'avoir un avis général.

Ce qui se passe actuellement, c'est qu'on vient à mon bureau, avec des idées sincères mais contradictoires sur la question de savoir s'il faut changer les variétés et les normes. Et la seule chose, je pense, qu'il faille faire, c'est de convoquer une réunion et de permettre à ces responsables d'en discuter afin d'en arriver à un accord général. Mais jusqu'à présent, il n'y a aucune base officielle pour que des réunions périodiques puissent avoir lieu.

M. Peters: Mais n'est-il pas vrai que, malgré tout, le ministre va toujours coordonner un troisième groupe et c'est lui qui va devoir prendre la décision?

M. Olson: Qu'est-ce que vous appelez troisième groupe?

M. Peters: D'après ce que je peux voir—je ne viens pas de l'ouest, donc je ne comprends peut-être pas très bien—mais d'après ce que je crois comprendre, c'est que les pouvoirs des commissaires des grains sont très vastes en matière de nouvelles catégories et de nouveaux perfectionnements, y compris les transports et un certain nombre d'autres questions. Et c'est le ministre qui coordonne ou qui prend la décision quant à la limite de ces pouvoirs parce que, en fait, c'est une de ses responsabilités. Et il en est de même pour le conseil du blé, la Commission du blé. Parfois on s'est demandé quel était le pouvoir du ministre en matière de ventes, et même en matière d'exportation. Ce nouvel organisme devra faire rapport au ministre et là encore ce sera lui qui va, de toute façon, décider en dernier ressort.

M. Olson: Eh bien, oui, je pense que c'est en partie vrai. Mais je pense qu'il serait utile que ces discussions portent sur les changements à recommander et que ces décisions soient prises en commun par tous les responsables de ce secteur d'activité réunis ensemble, au lieu de laisser le ministre décider lui-même.

M. Peters: N'est-ce pas la raison pour laquelle vous avez convoqué ce congrès qui, je crois, va se réunir dans quelques semaines?

M. Olson: Oui, d'accord, mais ce qu'il serait bon malgré tout, c'est que ces réunions se tiennent régulièrement, et notamment dans l'industrie des céréales où il va y avoir des changements importants qui seront peut-être profitables. Et certainement, le congrès de l'A-

[Texte]

Congress will be doing this too to some extent, but this covers the whole field of agriculture.

The Chairman: Mr. Clermont.

M. Clermont: Merci, monsieur le président. Ma première question se rapporte à l'effectif constant et aux employés à temps partiel du ministère. Si mes chiffres sont exacts, je remarque que l'effectif constant du ministère de l'Agriculture sera moindre pour l'année 1969-1970. Est-ce à la suite d'une réorganisation? Prenons le crédit n° 5, sous Recherches, au chapitre des Sciences et professions. En 1968-1969, vous aviez un effectif de quinze années-hommes consacrés à la recherche et pour 1969-1970, vous en prévoyez sept. Ces chiffres se trouvent à la page 14, montrant l'importance de la recherche.

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Je vois ici au même crédit, le n° 5, au poste: «Instituts, Stations, Fermes, Laboratoires et Services—Fonctionnement et Entretien», en 1968-1969, vous aviez un effectif constant de 925 années-hommes et pour 1969-1970 vous en prévoyez 843 et je remarque que dans la majorité des cas, les sommes des salaires seront supérieures, en 1969-1970, à celles de 1968-1969.

Mr. Williams: The direct answer to the question is that both considerations Mr. Clermont raised are involved. First of all, the Department of Agriculture along with other departments is working at the present time and has been working for two years under a staff ceiling. It is varied from year to year but we were restricted in our staffing to 95% of our establishment.

The year 1968-69, as it is reported in the Blue Book, refers to establishment. In the new year, that is 1969-70, in the estimates that we are considering, Treasury Board no longer uses "establishment".

This has become an out-moded term and we are using actual strength in man-years. So there has been a cutback but the cutback is not as large as it would appear there because of the different method of reporting.

M. Clermont: Un exemple, monsieur le président. Au crédit n° 5 pour les recherches, «Administration, fonctionnement et entretien...», en 1968-1969 vous aviez un personnel de 15 années-hommes sous le Titre «sciences et professions». Pour 1969-1970 vous en aurez sept. Ce nombre est-il suffisant pour faire les recherches?

[Interprétation]

griculture va aborder cette question. Mais il s'agit là d'un domaine plus vaste.

Le président: Monsieur Clermont?

Mr. Clermont: Thank you, Mr. Chairman. My first question concerns the continuing staff and the part-time employees of the Department. If my figures are correct, I notice that the permanent staff of the Department of Agriculture will be decreased for 1969-70. Is this the result of a re-organization? Let's take vote No. 5, under Research, Scientific or Professional manpower. In 1968-69, you had a strength of 15 man-years for research, and for 1969-70, you expect to have seven. These figures are on page 14, showing the importance of research.

I see also in the same Vote No. 5, under Institutes, Stations, Farm, Laboratories and Services—Operation and Maintenance, that in 1968-69, you had a continuing establishment of 925 man-years, and that for 1969-70, you expect it to be 843, and I notice that in the majority of cases, salaries and wages votes will be higher in 1969-70 compared to 1968-69.

M. Williams: La réponse que je veux donner directement à la question, c'est que les deux points que M. Clermont a soulevés sont en cause. D'une part, le ministère de l'Agriculture, tout comme d'autres ministères, fonctionne actuellement, et ce depuis deux ans, avec un personnel limité à un certain niveau qui varie d'une année à l'autre, mais nous avons été limités, dans notre personnel, à 95 p. 100 de l'effectif.

L'année 1968-1969, comme il est dit dans le Livre bleu, concerne l'effectif. Pour la nouvelle année, soit 1969-1970, dans le budget que nous étudions, le Conseil du Trésor n'utilise plus le mot «effectif».

Il s'agit maintenant d'un terme démodé; nous utilisons maintenant le terme «année-homme». Il y a donc eu une réduction, mais cette réduction n'est pas aussi importante qu'elle semblerait l'être, à cause des différentes méthodes de calcul.

Mr. Clermont: Just one example, Mr. Chairman. In Vote No. 5, for research, under "Administration, Operation and Maintenance", in 1968-69, you had 15 man-years under "Scientific and Professional". In 1969-70, you are going to have seven. Is that sufficient to carry out research?

[Text]

Mr. Williams: That particular item, Mr. Clermont, represents a change in classification brought on through the reclassification program of the Bureau of Classification Revision that is associated with the complete change in the professional structure and the organizational structure of the various employment groups within the civil service. Whereas in previous years people tended to be listed depending upon where they were—that is to say, if he was in a scientific department he was listed as scientific and professional—all those positions have now been reviewed and while I can find out for you where those have moved to, I do not know exactly.

It represents a change in the classification, and somebody who before was classified in the scientific and professional series may now be classified in the administrative series.

M. Clermont: Monsieur le président, ma question ne cherchait pas surtout à connaître où ces personnes-là sont rendues. En la posant je voulais savoir si un personnel de sept personnes est suffisant pour mener à bien les recherches dont il est question au crédit n° 5. Je voulais savoir quelle importance on attache aux recherches, en 1969. C'était le but de ma question, et non pas de savoir s'il y en a 8 qui sont rendues dans un autre service. Pour moi, l'important est de savoir si, en 1969, au poste «Sciences et professions» et sous le titre «Administration de la direction—» du crédit n° 5 du ministère de l'Agriculture, 7 années-hommes sont suffisantes.

Mr. Williams: Mr. Clermont, that refers solely to the sub-allocation of the branch administration. All the people listed in the

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executive category are all scientific people as well. But if you look down a little further you will note that in Institutes, Stations, Farms, Laboratories we list 843 Scientific and Professional. They also of course are in the research branch.

Mr. Clermont: Last year for 1968-69, Mr. Williams, you had 925.

Mr. Williams: That is correct, sir. If you are asking me if that is enough I would say that you cannot ask anybody who is administering a research program and get any other answer but what they could do better if they had more.

M. Clermont: Mon autre question, monsieur le président, est au sujet du crédit n° 17,

[Interpretation]

M. Williams: Ce point particulier, monsieur Clermont, représente un changement dans la classification effectuée à la suite du programme de reclassification du Bureau de révision de la classification, qui est valable pour l'ensemble de la structure professionnelle, et la classification des différents groupes d'emplois de la Fonction publique. Au cours des années précédentes, les gens avaient tendance à être classifiés en fonction de l'endroit où ils se trouvaient, c'est-à-dire que s'ils travaillaient dans un ministère scientifique, ils étaient considérés comme faisant partie de la catégorie scientifique et professionnelle. Maintenant, tout est changé.

Je pourrais vous le dire plus précisément, il s'agit simplement d'un changement de classification. Quelqu'un qui, auparavant, appartenait à la catégorie scientifique et professionnelle peut maintenant être classé dans la catégorie administrative.

Mr. Clermont: Mr. Chairman, my question was not concerned especially with where these people are. I wanted to know if seven people is enough to do the research mentioned in Vote No. 5. I wanted to know what importance is given to research, in 1969. This was the purpose of my question, and not to find out whether eight have been sent to another service. I just want to know if, in 1969, under the item "Scientific and Professional" which comes under the heading "Branch Administration..." Vote No. 5, of the Department of Agriculture, seven man-years are sufficient.

M. Williams: Monsieur Clermont, cela ne concerne uniquement que les sous-affectations de l'administration du ministère. Toutes les personnes qui appartiennent à la direction sont également des scientifiques. Mais, si vous regardez un peu plus bas, vous remarquerez que, à «Instituts, stations, fermes, laboratoires», nous avons 843 membres de la catégorie scientifique et professionnelle. Ce sont aussi des chercheurs, bien entendu.

M. Clermont: Mais en 1968-1969, monsieur Williams, vous en aviez 925.

M. Williams: C'est exact, monsieur. Si vous me demandez si cela suffit, je dirais qu'on ne peut pas demander à quelqu'un qui exécute un programme de recherche et obtenir une réponse autre qu'il pourrait faire mieux s'il avait plus.

Mr. Clermont: I have another question, Mr. Chairman, regarding Vote No. 17, concerning

[Texte]

concernant le poste «Statutaire—Contributions aux provinces en vertu de la Loi sur l'assurance-récolte (c.42, S.R., modifié)». En 1968-1969, vous aviez un crédit de 4 millions sept cent mille dollars, et pour 1969-1970 vous prévoyez un crédit de 4 million deux cent mille dollars.

Or on sait, par exemple, que la province de Québec s'est jointe au programme d'assurance-récolte et si l'on se base sur l'expérience du passé, de plus en plus de cultivateurs se joignent chaque année au programme de l'assurance-récolte à travers le Canada.

Mr. Williams: The basic reason for the apparent decrease is that in 1968-69 the funds to reimburse Quebec for its crop insurance program were included in the estimates as a statutory item. Quebec, however, has not implemented a program that is in complete conformity with the Act, therefore the Vote for 1969-70 has been taken out of the statutory item and put in Vote 35 on page 26, because it requires a special Vote title to give authority to it—and it is in the amount of \$1.8 million.

So for an exact comparison one should read \$6 million for 1969-70 going to crop insurance, including Quebec, and \$4.7 million for the year 1968-69.

M. Clermont: Monsieur le président, M. Williams, a dit que le programme d'assurance-récolte de la province de Québec ne rencontrait pas les exigences du programme fédéral. Dans quel secteur? Est-ce dans le secteur de la ré-assurance?

Mr. Williams: No, the major difference of opinion lies between the actuarial experts of the Department of Insurance of the federal government and the actuarial experts of The Quebec Crop Insurance Board. Under the Act the requirement is that the premiums for the program must be such as to make the program self-sustaining. There is a distinct difference of opinion as to whether or not that is the case.

M. Clermont: Présentement, monsieur le président, le gouvernement fédéral contribue au programme d'assurance-récolte du Québec dans une mesure de 25 p. 100 de la prime et de 50 p. 100 pour l'administration?

Mr. Williams: That is correct, yes. Subject to an agreement being signed, the authority exists.

M. Clermont: L'entente n'est-elle pas encore signée?

[Interprétation]

the item entitled "Statutory—Contributions to the Provinces under the Crop Insurance Act (Chap. 42 R.S. as Amended)". In 1968-69, you had a Vote of \$4,700,000 and for 1969-70 your Vote is \$4,200,000.

Now, we know that, for instance, the Province of Quebec joined the crop insurance scheme and if we base ourselves on past experience, more and more farmers are joining the crop insurance scheme throughout Canada.

M. Williams: La raison fondamentale pour laquelle il y a une baisse apparente, c'est qu'en 1968-1969 les fonds pour rembourser le Québec pour son programme d'assurance-récolte étaient compris comme poste statutaire dans les prévisions budgétaires. Toutefois, le Québec n'a pas mis en vigueur un programme qui se conforme totalement avec la Loi. Par conséquent, le crédit pour 1969-1970 a été enlevé du poste statutaire; il figure donc au Crédit 35, à la page 26, car on a besoin d'un crédit spécial pour en donner l'autorisation et il s'élève à 1.8 million de dollars.

Pour avoir une comparaison exacte, il faut donc lire 6 millions de dollars pour 1969-1970 pour l'assurance-récolte, y compris le Québec, et 4.7 millions de dollars pour l'année 1968-1969.

Mr. Clermont: Mr. Chairman, Mr. Williams said that the crop insurance program for Quebec did not meet all the requirements of the federal program. In what areas? Is it in the sector of re-insurance?

M. Williams: Non, la plus grande différence d'opinions existe entre les actuaires du Département des assurances du gouvernement fédéral et les actuaires de l'Office de l'assurance-récolte du Québec. En vertu de la Loi, on exige que les primes du programme soient telles que le programme puisse se suffire à lui-même. Il y a une différence marquée d'opinions à ce sujet.

Mr. Clermont: Mr. Williams, the federal government, at the present time, contributes for the crop insurance scheme in Quebec to the tune of 25 per cent of the premium and 50 per cent for administration?

M. Williams: C'est exact, oui. Sous réserve de la signature d'un accord, l'autorisation existe.

Mr. Clermont: The agreement has not been signed yet?

[Text]

Mr. Williams: The agreement has not been signed yet. The explanation, I might say, is that The Quebec Crop Insurance Board published or were due to publish—I have not seen them yet—on Saturday morning or Friday night, in their Gazette, their regulations for the first time, and we could not enter into an agreement until these were passed. We anticipate that the agreement will be signed within a week or ten days.

M. Clermont: Voici, monsieur le président, il y a eu une semaine vendredi dernier, le ministre de l'Agriculture de la province de Québec, l'honorable Clément Vincent, déclarait devant les caméras de la télévision, que le gouvernement fédéral contribuait à la prime du cultivateur puis à l'administration.

Mr. Williams: That is quite correct. We have the funds and the minute the agreement is signed the contribution will be made. But legally we could not make the contribution until such time as the agreement was signed because this was the basis. There is every intention and I am quite certain that an agreement will be signed and the payment will be made, as I said, within a week or ten days.

M. Clermont: Ma dernière question, monsieur le président, traite du crédit no. 17, à la page 18, sous le titre

«Contributions

Montant estimatif requis pour remettre au compte de stabilisation des produits agricoles le montant net du déficit d'exploitation de l'Office de stabilisation des prix agricoles au 31 mars 1970»

En 1968-1969, vous prévoyiez un montant de \$144,500,000 et vos estimés prévisions pour 1969-1970, sont seulement de \$133,400,000. Pouvez-vous nous expliquer, la différence, monsieur Williams.

Mr. Williams: This is a problem that we face at all times in respect of the Agricultural Stabilization Act. There is extreme difficulty in forecasting what expenditures will be because they depend upon subsequent government decisions. I think you will appreciate that this estimate had to be made by the department back last summer. The basis for estimating for all items under the Agricultural Stabilization Act under this procedure that is being followed at the present time is that the Board is required to estimate the amount of dollars that will be required in the year for which the estimate is being made, presuming that the program continues at the same level of support as was in

[Interpretation]

M. Williams: On n'a pas encore signé l'accord. Pour expliquer, je pourrais peut-être dire que l'Office d'assurance-récolte du Québec doit publier, ou devait publier, je ne les ai pas encore vus,—samedi matin ou vendredi soir dernier, ses règlements, pour la première fois. Nous ne pouvions avoir un accord avant d'avoir les règlements. Nous nous attendons à ce que cet accord soit signé d'ici une semaine ou 10 jours.

Mr. Clermont: Mr. Chairman, a week ago last Friday, the Minister of Agriculture for Quebec, the Honourable Clément Vincent, was on television and mentioned that the federal government contributed for the premium of the farmer as well as administration.

M. Williams: En effet. Nous avons les fonds voulus et, du moment que l'accord sera signé, cette contribution sera versée. Mais du point de vue légal, nous ne pouvions verser la contribution avant que l'accord soit signé, car c'était là la base même de l'entente. Nous avons toutes les meilleures intentions du monde, et je suis absolument sûr qu'un accord sera signé et que le versement sera effectué, comme j'ai dit, d'ici une semaine ou dix jours.

Mr. Clermont: Now a last question, Mr. Chairman, with regard to Vote No. 17, on page 18, under the title:

«Contributions.—Estimated amount required to recoup the agricultural commodities stabilization account to cover the net operating loss of the Agricultural Stabilization Board as at March 31, 1970»

In 1968-69, you had an amount of \$144,500,000 and for 1969-70 your estimates are only \$133,400,000. Can you explain to me, Mr. Williams, what this difference is?

M. Williams: C'est un problème auquel nous nous heurtons sans cesse en ce qui concerne la Loi sur la stabilisation des prix agricoles. Il est extrêmement difficile de prévoir les dépenses, car elles dépendent de décisions ultérieures du gouvernement. N'oubliez pas que le Ministère a été forcé de faire ces prévisions budgétaires l'été dernier. Selon la façon de procéder actuelle, pour évaluer les crédits accordés en vertu de la Loi sur la stabilisation des prix agricoles, l'Office doit évaluer la somme qui sera nécessaire pour l'année sur laquelle portent les prévisions, à condition que l'aide accordée aux termes du programme reste au niveau qui était en vigueur au moment où l'on a fait les prévi-

[Texte]

effect at the time the estimate was made, and the Board at that time has to estimate price relationships and so forth.

The presumption is that if there is any change in government policy that would raise or lower level supports, the adjustments would be made or the funds provided by supplementary estimate procedure.

I think it will be recalled that it has only been in the last year or two that we have followed this procedure. Up until then stabilization funds were never shown in the Blue Book but were provided solely on the basis of recouping the revolving fund that is available under the Agricultural Stabilization Act. So this is an effort to try to forecast what the expenditures will be, but the only base of forecasting that can be used is a continuation of levels of support.

M. Clermont: Monsieur Williams, est-ce que les \$133,400,000 comprennent les subventions aux producteurs de lait industriel et aux producteurs de crème?

Mr. Williams: That includes all items, yes.

M. Clermont: Merci, monsieur le président.

The Chairman: I recognize Mr. Gleave.

M. Côté (Richelieu): J'ai une question supplémentaire au sujet de l'assurance-récolte. Si j'ai bien compris, vous avez dit tout à l'heure que \$6 millions étaient prévus pour l'année dernière et ont été reportés au crédit 37, je crois. Mais, cette année, vous avez \$4.8 millions. Je n'ai pas bien compris cela. Après une explication supplémentaire, j'aurai peut-être d'autres questions. Qu'entendez-vous par \$6 millions prévus pour l'année dernière, et \$4.8 millions pour cette année?

Mr. Williams: I am sorry if I misled the Committee, Mr. Chairman. Last year the total forecast was \$4.7 million. For the forthcoming year the total forecast is \$6 million divided into two parts; \$4.2 million in Vote 17 as a statutory item and \$1.8 million under special vote tilte under Vote 35, which is found on page 26, to provide for the Quebec item. You will also probably recall that in our supplementary estimates for the current year there is an item provided for Quebec to cover the current year.

M. Côté (Richelieu): Monsieur le président vous savez qu'actuellement la province de Québec est la province qui, pour sa première

[Interprétation]

sions; et l'Office doit alors évaluer le rapport entre les prix, etc.

On part du principe que s'il se produit un changement dans la politique du gouvernement qui fasse monter ou baisser le niveau de l'aide, on fera des ajustements ou l'on obtiendra des fonds grâce aux crédits supplémentaires.

On se souviendra, je pense, qu'il n'y a qu'un an ou deux que nous procédons de cette façon. Jusqu'alors, les fonds destinés à la stabilisation des prix agricoles ne figuraient jamais dans le Livre bleu, et on les fournissait seulement en dédommageant de ses pertes le fonds de roulement disponible en vertu de la Loi sur la stabilisation des prix agricoles. On essaie donc de prévoir quelles seront les dépenses, mais la seule condition sur laquelle on puisse fonder les prévisions, c'est le maintien du même niveau d'aide.

Mr. Clermont: Mr. Williams, do the \$133,400,000 include the subsidies paid to industrial milk and to cream producers?

M. Williams: Cela comprend tous les crédits, oui.

Mr. Clermont: Thank you, Mr. Chairman.

Le président: Je donne la parole à M. Gleave.

Mr. Côté (Richelieu): I would like to ask a supplementary question with regard to crop insurance. If I understood correctly, you said a little while ago that \$6 million had been provided for last year and have been referred to Vote No. 37, I believe. But, this year, you have 4.8 million. I didn't quite understand this. Following a supplementary explanation, I might have other questions to ask. What do you mean by \$6 million provided for last year and \$4.8 million for this year?

M. Williams: Excusez-moi si j'ai induit le Comité en erreur, monsieur le président. L'an dernier, les prévisions totales s'élevaient à 4.7 millions de dollars. Pour l'année à venir, le total prévu est de 6 millions de dollars, et se divise en deux parties: 4.2 millions pour le crédit 17, comme crédit statutaire, et 1.8 million en vertu du crédit spécial, au crédit 35, que l'on trouvera à la page 26, pour ce crédit relatif au Québec. Vous vous souviendrez sans doute que, dans les crédits supplémentaires pour l'année en cours, on prévoit aussi un crédit pour le Québec pour cette année.

Mr. Côté (Richelieu): Mr. Chairman, you know that at the present time the Province of Quebec is the province which for its first year

[Text]

année d'administration, a le plus de cotisations. On a fait 12,000 réclamations pour des dommages aux récoltes et des cultivateurs ne sont pas encore remboursés. La semaine dernière, à une réunion dans ma paroisse, des fonctionnaires auraient expliqué que si le paiement n'est pas encore fait, c'est parce que le gouvernement fédéral n'a pas encore envoyé les montants d'argent. Tant que l'entente ne sera pas signée, la province ne remboursera-t-elle pas les dommages causés aux cultivateurs? Faudra-t-il attendre que les ententes soient signées avec le ministère de l'Agriculture?

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Mr. Williams: The decision of the Quebec government as to whether they reimburse farmers for losses they have sustained under their program is a decision of the Quebec government, not of the federal government. But we have no authority to reimburse them for their administrative costs and for the 25 per cent of the premiums until such time as an agreement is signed because that is what the vote title says; that it is subject to an agreement being signed. It is my understanding, having discussed this matter with some of the Quebec people, that they are making and have made large payments to farmers and that they have transferred quite large sums into their crop insurance program, but there is one difference in respect of this—that the federal government does not reinsure the losses under this special arrangement with the Province of Quebec.

The Chairman: May I recognize Mr. Gleave. I will come back to you again, Mr. Côté.

Mr. Southam: I would like to inquire, for the benefit of our Committee members, exactly what sequence you are following here as far as the order of speaking is concerned. I thought we started out several meetings ago with those who were in regular attendance, and that by keeping our names on an orderly list we would get our opportunity. I understood at the last meeting that I was about next on the list. I had my hand up first thing this morning but there have been a series of supplementary questions and regular questions. They are all very important and we are glad to hear them all but I want to ask you for the sake of information how you are regulating the continuity.

The Chairman: Well, it is a bit difficult, I must admit, and it was particularly difficult

[Interpretation]

has the greatest number of assessments. 12,000 claims were made for damage to crops and some farmers have not yet been reimbursed. Last week, at a meeting in my own parish, officials are reported to have explained that if the payments had not yet been made, it was because the federal government has not yet sent the sums of money required. So long as the agreement has not been signed, will the province then not reimburse the damage caused to farmers? Will they have to wait for the agreements to be signed with the Department of Agriculture?

M. Williams: La décision du gouvernement du Québec de rembourser ou non aux agriculteurs les dommages qu'ils ont subis en vertu du programme de la province appartient au gouvernement du Québec, non au gouvernement fédéral. Toutefois, nous n'avons pas pouvoir de leur rembourser leurs frais d'administration et les 25 p. 100 des primes jusqu'à ce qu'une entente ait été conclue, car c'est ce que stipule le titre du crédit—que les remboursements se feront sans réserve de la conclusion d'une entente. Je crois comprendre, ayant parlé de la question avec des gens du Québec, que la province a déjà fait des versements importants aux agriculteurs et a transféré des sommes assez considérables à son programme d'assurance-récolte. Il y a tout de même une différence: c'est que le gouvernement fédéral ne réassure pas les pertes en vertu de ces ententes spéciales avec la province de Québec.

Le président: Permettez-moi maintenant de donner la parole à M. Gleave. Nous reviendrons à vous ensuite, monsieur Côté.

M. Southam: Je voudrais vous demander, pour le bénéfice des membres de notre Comité, dans quel ordre au juste vous donnez la parole aux députés? J'avais cru comprendre que nous avions commencé, il y a plusieurs séances de cela, par les députés qui assistent régulièrement aux réunions, et qu'en gardant nos noms dans l'ordre sur une liste, vous nous donneriez à tous l'occasion de parler. J'ai vu comprendre, à la dernière séance, que mon nom devait être à peu près le suivant sur la liste. J'ai été le premier à lever la main ce matin, mais il y a eu toute une série de questions régulières et de questions supplémentaires. Elles sont toutes très importantes, et nous sommes heureux de les entendre, mais je voudrais vous demander, à titre de renseignement, comment vous établissez la continuité.

Le président: C'est un peu difficile; je dois l'admettre. C'était tout particulièrement

[Texte]

at the last meeting. You will be recognized next, Mr. Southam. I want to point out to the Committee that this supplementary business is fine if it is a legitimate supplementary but if we intrude on a supplementary basis and become the main questioner then I think that it is probably imposing and we may have to take a firmer position with regard to supplementaries. I would like to recognize Mr. Gleave, Mr. Southam, Mr. Korchinski, Mr. Lessard, Mr. Douglas, and Mr. Côté.

Mr. Gleave: Mr. Chairman and Mr. Olson, I noted that the Canada Grains Council was proposing to set up a study on the transportation of grain. It is my understanding that at the present time there is a study on transportation being carried out by I think the Canadian Wheat Board, the Board of Grain Commissioners for Canada and the grain companies, and that out of this has come the initial move toward the block system which you yourself, Mr. Minister, I believe mentioned in the House. Will there not be conflict? Is it necessary to have two studies going along on this at the same time?

Mr. Olson: No. I do not think so, Mr. Chairman. I do not think you could quite refer to it as a study that has been going on. There have been some ideas put forward for better co-ordination and the block system on a trial basis comes out of that hope that there is a better way of co-ordinating the movement of grain from the prairies to the terminal elevators, but I think, if I understood the Canada Grains Council correctly, that the sentiment that was expressed is that the study or the examination with a view to making recommendations on the whole transportation methods and procedures in the grain industry would be somewhat more comprehensive than the attempt at better co-ordination that is being made now by the Canadian Wheat Board and the elevator companies, along with the railways.

Mr. Gleave: Can the Minister assure us that in regard to this proposal of the Council a levy will be made on producers? Can the Minister assure us that a report of all those moneys, if such a thing goes through and such a levy or tax is made, will be made to the government each year as to how this money is being spent?

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Mr. Olson: Yes, Mr. Chairman. Item 9 of the terms of reference says:

[Interprétation]

difficile lors de la dernière réunion. Vous serez le prochain à avoir la parole, monsieur Southam. Je voudrais faire remarquer au Comité que je n'ai aucune objection à ces questions supplémentaires à condition qu'elles soient vraiment des questions supplémentaires; mais si nous entrons dans le débat avec une question supplémentaire et que nous prenions ensuite la main, c'est un abus, et il faudrait peut-être adopter une attitude plus ferme à l'égard des questions supplémentaires. Je voudrais maintenant donner la parole à M. Gleave, M. Southam, M. Korchinski, M. Lessard, M. Douglas et M. Côté.

M. Gleave: Monsieur le président, monsieur Olson, je constate que la Commission canadienne des céréales à l'intention d'organiser une étude sur le transport des céréales. Si j'ai bien compris, à l'heure actuelle, la Commission canadienne du blé, la Commission des grains du Canada et les entreprises céréalières se livrent aussi à une étude du problème du transport, qui est d'ailleurs à l'origine des mesures initiales prises en vue du système de transport en bloc que vous avez, je crois, mentionné vous-même à la Chambre, monsieur le ministre. Ne va-t-il pas y avoir conflit? Est-ce qu'il est nécessaire d'avoir deux études à la fois de cette question?

M. Olson: Non, je ne le crois pas, monsieur le président. Je ne crois pas que l'on puisse qualifier ce qui s'est fait d'étude. Je crois que l'on a proposé certaines idées en vue d'une meilleure coordination, et l'essai du système de transport en bloc vient de l'espoir que l'on a de trouver un meilleur moyen de coordonner le transport des céréales des Prairies jusqu'aux éleveurs des terminus. Mais si j'ai bien compris, la Commission canadienne des céréales estime que l'examen ou l'étude en vue de formuler des recommandations à l'égard des méthodes et des procédés de transport dans l'industrie des céréales serait beaucoup plus complète que la tentative en vue de parvenir à une meilleure coordination que font à l'heure actuelle la Commission canadienne du blé et les entreprises d'éleveurs, de concert avec les chemins de fer.

M. Gleave: Est-ce que le Ministre peut nous assurer qu'à l'égard de cette proposition de la Commission, on imposera les producteurs? Est-ce que le Ministre peut nous assurer que, si l'on adopte cette mesure et que l'on exige cet impôt, ou cette taxe, un rapport sera présenté chaque année au gouvernement quant à la façon dont on dépense ces fonds?

M. Olson: Oui, monsieur le président. On dit, à l'article 9 du mandat de la Commission,

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9. Submit annual reports of its activities to the Government.

I am sure that all the activities, including the financial requirements for those activities would not only be reported to the government but would be reported to the members of the Council, which includes, as I have said, the producer organizations, transport and all sections of the grain trade.

Mr. Gleave: On another subject, there is an item on page 13 entitled "Contribution to the Agricultural Economics Research Council of Canada..." in an amount of \$50,000. So you have information available as to the contributions in the last year which the provincial governments, the farm organizations and the other people involved who committed themselves to support this Economic Research Council have made?

Mr. Williams: I am sorry, Mr. Chairman, we do not have that detailed information with us but we can obtain it and provide it to the Committee.

Mr. Gleave: Further to this, Mr. Chairman, I am concerned about the proliferation of these various bodies, all of which are supposed to be giving a helping hand to the farmer by telling him what to do and how to do it.

This Agricultural Economics Research Council was set up a number of years ago. Its purpose was to find out the facts and tell us what we should do. It started out with very great hopes and there was going to be large amounts of money available. However, I think the figures will show that these hopes have not been realized; this organization has been starved for money. Why could this Agricultural Economics Research Council not have done the same job that is now proposed for the Canada Grains Council?

Mr. Olson: In my opinion, Mr. Chairman, not at all. The Grains Council may or may not undertake research projects; it depends on what they decide. In my opinion the most important new feature of the activities of the Grains Council is that you will have representatives and spokesmen in that council from the practical people who are engaged in the industry and it will provide, as I have said a number of times, an opportunity for them to meet from time to time on a formal basis to exchange information and opinions on what can be done, based on their actual

[Interpretation]

qu'elle doit présenter au gouvernement un rapport annuel de son activité. Je suis certain que toute l'activité, y compris les exigences financières qu'elle entraîne, ferait l'objet d'un rapport adressé non seulement au gouvernement, mais aussi aux membres de la Commission, qui, je l'ai dit, se compose des associations de producteurs de l'industrie du transport et de tous les secteurs de l'industrie des céréales.

Mr. Gleave: D'autre part, il y a en page 13 un poste intitulé:

«Contribution au Conseil canadien de recherches en économie rurale» au montant de \$50,000.

Disposez-vous des renseignements sur les contributions apportées l'an dernier par les gouvernements provinciaux, les organisations rurales et les autres personnes qui ont promis leur appui au Conseil de recherches en économie rurale?

Mr. Williams: Je m'excuse, monsieur le président, nous n'avons pas ce renseignement détaillé, mais nous pourrions toutefois l'obtenir et le présenter au Comité.

Mr. Gleave: D'autre part, ce qui me préoccupe ici, monsieur le président, c'est la prolifération de ces divers organismes, qui sont tous censés aider le cultivateur en lui conseillant quoi faire et comment le faire.

Ce Conseil de recherches en économie rurale a été établi voilà quelques années. Il avait pour objet d'obtenir les faits et de nous conseiller. On avait beaucoup d'espoir au début et on devait y affecter de grosses sommes. Toutefois, les chiffres démontreront que les espoirs avaient été vains; cette organisation a déperî par manque de fonds. Comment se fait-il que le Conseil de recherches en économie rurale n'ait pas fait le même travail que l'on propose à présent pour la Commission canadienne des céréales?

Mr. Olson: A mon avis, monsieur le président, pas du tout. La Commission canadienne des céréales peut ou ne peut pas entreprendre des projets de recherches; cela dépend de ce qu'ils décideront. A mon avis, l'aspect le plus important de l'activité du Conseil des grains, c'est que vous aurez là des représentants et des porte-parole de gens pratiques qui s'intéressent à l'industrie et qui leur fournira, comme je l'ai dit plusieurs fois, l'occasion de se rencontrer et de se réunir plusieurs fois par année, afin d'échanger des renseignements et des opinions sur ce qui peut être

[Texte]

practical involvement in the industry in one area or another.

Mr. Gleave: The makeup of the Agricultural Economics Research Council included government and it included the federations of agriculture; it included all these same people—at least they all had access to it through what is termed agri-business. Is it proposed that we should continue to make money available to the Agricultural Economics Research Council which, for example, made studies in feed grain, and feed grain is a very part of the thing which the Canada Grains Council is going to look at.

Mr. Olson: I think this research council could perhaps do some projects for the Canada Grains Council, but on a professional basis, if I may put it that way, I do not think there is an organization in existence today and indeed I do not think there is any substitute for having—and I repeat again—a forum where everybody who is actually involved on a daily basis in the grain industry can get together from time to time and try to come to

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a consensus on what changes need to be effected. They may have some problems because of an action in another part of the industry.

What I hope will come out of it is some practical day-to-day solutions to these problems. And ad hoc committee on transportation has been set up from time to time and it has been very helpful. Perhaps this should have been done on a more formal basis so that we do not have to wait until we are faced with the problem before we set up these kinds of committees or co-ordination functions.

Mr. Gleave: A final question, Mr. Chairman. Would the Minister perhaps consider making a recommendation to this Committee in regard to these various agencies? I am concerned about the fact that here we have the Agricultural Economics Research Council and then on top of that we have regular agencies, such as the Canadian Wheat Board, which in essence is a Crown corporation, and also the Board of Grain Commissioners. Can these be straightened out? Can we get a clear line through here and avoid a proliferation? I see these various institutions, shall we say, scrambling among themselves to get the technical and the research people they each want for their undertakings. We do not have that many really top technical people. This matter concerns me. The universities and the

[Interprétation]

réalisé en se basant sur leur participation pratique à l'industrie dans un secteur comme dans un autre.

M. Gleave: La composition du Conseil de recherches en économie rurale comprenait le gouvernement ainsi que les diverses fédérations agricoles; tous ceux-là en faisaient partie, ou du moins, ils avaient accès à ce Conseil par l'entremise de ce qu'on appelle agriculture. On nous propose de continuer à fournir des fonds au Conseil de recherches en économie rurale qui, par exemple, a effectué des études sur les grains de provende, et les grains de provende font justement partie de ce que la Commission canadienne des céréales est supposée étudier.

M. Olson: Ce Conseil de recherches pourrait peut-être s'occuper de certains programmes pour le Conseil des grains, mais je ne crois pas que du point de vue professionnel, si je peux parler ainsi, il y ait un organisme qui existe aujourd'hui, et je ne crois pas qu'il y ait de substitut pour—et je le répète encore une fois—un forum où tous ceux qui participent au jour le jour à l'industrie des céréales, puissent se réunir de temps à autre et essayer de s'entendre sur les changements qui doivent être effectués. Une certaine façon de faire dans un autre secteur de l'industrie peut leur occasionner des problèmes.

J'espère que l'on parviendra à quelques solutions pratiques de ces problèmes. On a organisé de temps à autre un comité spécial sur les transports qui a été très utile, peut-être aurions-nous dû le faire d'une façon plus officielle pour que nous n'ayons pas à affronter le problème avant d'organiser ces genres de comités ou ces tâches de coordination.

M. Gleave: Une dernière question monsieur le président. Je me demande si le Ministre pourrait nous donner son avis au sujet de ces divers organismes. Je me préoccupe du fait que nous avons ici le Conseil de recherches en économie rurale et nous avons de plus des organismes réguliers tels que normales comme la Commission canadienne du blé, la Commission canadienne du blé qui est en fait une société de la Couronne, ainsi que la Commission canadienne des grains. Peut-on tirer cela au clair? Et éviter une multiplication de ces organismes.

Je vois tous ces organismes en train de faire des mains et des pieds pour s'accaparer tous les techniciens et chercheurs qu'ils veulent pour leurs programmes. Nous n'avons pas autant d'experts et de techniciens de premier

[Text]

Research Council will be fighting among themselves to get . . .

Mr. Whicher: As if we were into religion.

Mr. Gleave: That is right, they will be just like a clutch of churches fighting for the preachers.

Mr. Olson: Mr. Chairman, we had a discussion about this Agricultural Economics Research Council last summer when we had a meeting with all of the provincial ministers of agriculture, and some work has been underway since then to reorganize and restructure the Council. Perhaps the deputy minister could fill you in on what has been done since that time to try to achieve this reorganization.

Mr. Williams: If I might say a word about it, this Agricultural Economics Research Council was originally designed and organized in order to provide a forum where independent agricultural research might be done. The idea was that contributions would come to it from producer organizations, from agri-business and from both levels of government, and that anybody could refer problems to them and they could hope to have them looked at on an objective basis, and in that way provide a service to the industry.

They were also empowered to undertake research of their own, and an organizational structure was set up that was designed to more or less insulate them from what might be called the normal pressures of the organizations to which they might be reporting. At the meeting of the agricultural ministers of all the provinces and the federal Minister of Agriculture last July the entire question of the organizational structure of this Council—and I think this is the fourth year it has been in effect—was queried as to whether or not it was accomplishing its objective. The decision was taken at that meeting that the ministers would recommend to the body that it endeavour to reorganize itself in order to better meet its original objectives, and the ministers agreed that they would support it for a further trial period. No definite time was set as to the trial period. They had troubles along the lines that Mr. Gleave mentioned; that is to say, staffing troubles.

[Interpretation]

ordre. Cette situation me préoccupe. Bientôt les universités et les divers conseils de recherches, se feront la lutte pour . . .

M. Whicher: Comme s'il s'agissait de religion.

M. Gleave: C'est vrai, la situation ressemblera à un groupe d'églises qui s'arrachent les prédicateurs.

M. Olson: L'été dernier nous avons eu une discussion au sujet du Conseil de recherches en économie rurale lors d'une réunion tenue avec tous les ministres provinciaux de l'Agriculture, et depuis lors on a entrepris certains travaux pour essayer de réorganiser et de restructurer le Conseil. Le sous-ministre pourrait-il vous donner des détails sur ce qui a été fait depuis ce temps-là pour essayer de parachever cette réorganisation?

M. Williams: Permettez-moi de dire que le Conseil de recherches en économie rurale a été constitué et organisé au tout début pour essayer de mettre sur pied un organisme où l'on pourra entreprendre des travaux indépendants de recherche en matière d'agriculture. On avait conçu l'idée que des contributions proviendraient des associations de producteurs, des deux niveaux de gouvernement, des sociétés agricoles, et que n'importe qui pourrait leur soumettre des problèmes et pourrait espérer de les faire examiner de façon objective, fournissant ainsi un service à l'industrie.

Ils ont, d'autre part, reçu l'autorisation d'entreprendre des recherches indépendantes et une structure d'organisation fut établie et avait pour objet de les isoler plus ou moins de ce que l'on pourrait appeler les pressions normales appliquées par les organismes auxquels ils pourraient faire rapport. Lors de la réunion des ministres de l'Agriculture de toutes les provinces et du ministre fédéral de l'Agriculture, toute ferme en juillet dernier, la question de la structure d'organisation de ce Conseil, et je crois que c'est le quatrième Conseil cette année, a été l'objet d'études pour savoir si oui ou non ce conseil servirait son but. Lors de cette réunion-là, les ministres ont décidé de recommander à l'organisme de tenter de se réorganiser, afin de mieux atteindre son objectif original, et les ministres ont convenu qu'ils l'appuieraient pour une autre période d'essai. On n'avait pas fixé de date pour cette période d'essai. Les difficultés n'ont pas manqué en cours de route, selon monsieur Gleave; c'est-à-dire des difficultés en vue d'obtenir du personnel.

[Texte]

[Interprétation]

• 1040

They now have a new president, as I believe he is called at the present time, rather than a chairman, and the executive group is most hopeful that this new organization will result in a more effective approach to their reaching the objectives that were originally set for them.

Mr. Gleave: The Canada Grains Council is now making noises about feed grain, about the varieties we should use, about the way we should deal with the feed market in Eastern Canada and about how we should deal with the feed market overseas. Are they both going to be looking into these matters? One of the reports of the Agricultural Economics Research Council, for example, was on freight subsidies on feed grain. Are they both going to be working in this area?

Mr. Williams: Mr. Chairman, I think that although they might be giving consideration to the same area their functions within that area would be quite different. In other words, I could envision the Grains Council employing the Economic Research Council to conduct professional studies for them.

Mr. Gleave: The Canada Grains Council would employ the Agricultural Economics Research Council to make studies for it?

Mr. Williams: Yes; that would be the type of relationship that I would expect between them.

Mr. Gleave: You would have the same thing going there as you are going to have with a transportation study by the Canada Grains Council, and it would be taking over the study that has been made by the Canadian Wheat Board and the grain companies. This whole area of conflict needs to be resolved.

Mr. Whicher: We should be in good shape, with all these...

Mr. Gleave: We should, really; if studying will make us, we will sure be studied.

The Chairman: Thank you, Mr. Gleave. I will recognize Mr. Southam.

Mr. Southam: Thank you, Mr. Chairman. My remarks will be relative to Item 1 of the Estimates of Agriculture. They will be general in nature for a few minutes, and then I would like to ask several specific questions, some of which have already been touched on.

Ils ont à présent un nouveau président, c'est ainsi qu'on l'appelle à l'heure actuelle, et le groupe exécutif est très confiant que cette nouvelle organisation pourra atteindre les objectifs établis à l'origine, de façon plus efficace.

M. Gleave: La Commission canadienne des céréales fait beaucoup de bruit au sujet des grains de provende, au sujet des variétés que nous devrions adapter, et la façon que nous devrions organiser le marché des provendes dans l'Est du Canada et outre-mer. Est-ce que les deux vont examiner cette question? Dans un de ses rapports, le Conseil canadien de recherches en économie rurale mentionnait les subventions de transport aux grains de provende. Est-ce que les deux vont travailler dans ce domaine?

M. Williams: Je crois que bien qu'ils étudient le même secteur, leur travail dans ce même secteur sera tout à fait différent. En d'autres termes, j'imagine que la Commission canadienne des grains puisse demander au Conseil canadien de recherches en économie rurale de faire des études pour eux.

M. Gleave: La Commission canadienne des céréales demanderait au Conseil canadien de recherches en économie rurale de faire des études pour eux?

M. Williams: Oui, je le crois. Ce serait le genre de rapport que je m'attendrais à voir entre les deux.

M. Gleave: Et alors vous auriez la même situation que si la Commission canadienne des céréales faisait une étude du transport; elle reprendrait l'étude qui a déjà été effectuée par la Commission canadienne du blé et les autres sociétés de céréales. Il faut évidemment résoudre tous ces différends.

M. Whicher: Nous devrions être en bonne posture avec toutes ces...

M. Gleave: C'est certain. Il est certain en tous cas que ce n'est pas les études qui manqueront.

Le président: Merci. La parole est à M. Southam.

M. Southam: Merci, monsieur le président. En ce qui concerne le crédit de l'Agriculture, je vais faire quelques remarques de caractère général en ensuite répondre à certaines questions précises, dont certaines ont déjà été évoquées.

[Text]

In opening our discussion under Item 1 last Thursday I think Mr. Horner, the Member for Crowfoot, expressed the sentiments and concern of a great many members of this Committee about where we are heading in the agricultural industry, as a way of life.

I do not think we should treat this subject too lightly. I ask, where are we heading as a matter of government policy? This is why we are interested in it this morning and in having the Minister here to give us some advice.

I wish to refer to the trend that seems to be taking place of people moving off the farms and into the urban centres where we now have an over-abundance of people who are, in fact, creating many problems with which other committees of the House of Commons are presently dealing; and whether we, as an agricultural committee, and as a matter of developing policy, should be forcing this trend.

I was interested in an article in a farm paper of January, 1969. The headline is "Trend to Big Farms Pushed." I propose to read one or two excerpts from it, because I think it puts into concise terms the concern that I have. It is by a Canadian Press reporter from Ottawa. It says:

Farmers will remember 1968 as the year agriculture made the irrevocable shift from rural life to industrial enterprise.

The trend to larger commercial farms and the consequent decline of rural populations has been going on for years. But in 1968 the government, through its policies and pronouncements, made it clear that farmers were expected to tackle food production the way Henry Ford tackled automobiles.

Farming is going to be a much different business than heretofore.

It goes on to refer in another paragraph to the fact that,

... "the chicken on the manure heap" concept of farming is over...

That is not really a very complimentary reference, but nevertheless it was reported.

He can, however, get government assistance in closing out his farming operation and getting established in the city.

Then it goes on to say:

New farm credit legislation increased the maximum for loans and encourages the creation of corporate farms. At the same time higher interest rates force a more-realistic appraisal of the ability of

[Interpretation]

Lorsque nous avons commencé à examiner le crédit, jeudi dernier, je crois que M. Horner avait bien exprimé les sentiments et les préoccupations d'un grand nombre d'entre nous en ce qui concerne l'orientation générale de l'industrie agricole.

Ce n'est pas une question qu'il faut traiter à la légère. Lorsque je parle d'orientation, je songe évidemment à la politique gouvernementale. C'est la question qui nous préoccupe ce matin. Le Ministre est d'ailleurs ici pour nous éclairer.

J'aimerais dire un mot de cette tendance qui semble exister. On voit en effet des gens qui quittent les fermes et qui vont s'installer dans les villes, qu'il y a vraiment trop de gens, ce qui suscite un grand nombre de problèmes urbains dont les Comités de la Chambre sont présentement saisis.

Je me demande si le Comité de l'Agriculture ne devrait pas travailler en ce sens.

Un article paru dans un journal agricole, en janvier 1969, au sujet d'encourager cette tendance à accroître la superficie des fermes, m'a intéressé. Je voudrais vous la citer car il fait ressortir ma préoccupation actuelle. L'article est d'un journaliste de la *Canadian Press*, à Ottawa. On dit que: «Les cultivateurs se souviendront de l'année 1968 comme l'année où l'agriculture a passé définitivement de la vie rurale à la vie industrielle. L'accroissement de la superficie des fermes et le déclin de la population rurale se poursuivent depuis quelques années. Mais en 1968, le gouvernement, par ses déclarations et ses politiques, a fait comprendre qu'il s'attendait à ce que les agriculteurs s'attaquent aux problèmes de l'alimentation tout comme Henry Ford s'est attaqué à l'automobile.» Et un peu plus loin, on dit que: «L'ancienne conception de l'agriculture est désuète».

Ce n'est pas vraiment un compliment mais c'est ce qu'on lisait. «Le cultivateur peut obtenir de l'aide du gouvernement fédéral pour vendre son exploitation agricole et déménager dans les villes.» On a dit que: «De nouvelles mesures législatives relatives aux crédits agricoles ont haussé le maximum prévu pour les emprunts et encourage la création de coopératives. En même temps, les taux d'intérêt plus élevés ont entraîné une évaluation plus réaliste des possibilités de l'exploitation agricole à produire un rendement convenable.»

[Texte]

the farm operation to produce an adequate return on investment.

• 1045

I am not saying this to be political, but one could couple with this the statement, which has created widespread concern in Western Canada, by the Prime Minister in Winnipeg on December 20 at that fund-raising dinner.

A farmer who came there to listen to the Prime Minister was very concerned about the marketing of wheat, and the Prime Minister in his wisdom—we did not think it was very wise so far as the west was concerned—said that it was not the responsibility of the government to be interested in the selling of wheat unless we were in a society which had collective farming, or words to that effect—communal farm. It was the farmer's responsibility to sell wheat. I must say this left, a very, very bad impression in the minds of western agriculture.

Heretofore, we have been very interested in, and a lot of our discussion has revolved around, government policy in assisting the agricultural industry to market. That type of statement, coupled with the type of legislation that we have been passing, leads many people in the agricultural sector to think that it is a foregone conclusion—a matter of government policy—to shove the little fellow out of his normal way of life and to establish nothing but co-operative farming.

This article goes on to say:

The preservation of the family farm is vital to North America and, if the family farm concept is to prevail, we must make it possible for young men and women to find careers in agriculture as satisfying and as remunerative as those in all other fields of endeavour.

This, of course, brings us to the crux of a lot of the discussions that have been going on there. I think I must emphasize again—and I have done this once before in the House, and I would like to do it again to get the Minister's comments on it—that in spite of this apparent policy of getting away from assistance or subsidies to agriculture we should still be thinking of it as a way of life, of its importance to us as an industry in Canada, and recognizing some of the special vicissitudes to which the agricultural economy is exposed.

I am thinking of the farmer, in his position in our economy, who has to deal first with the vicissitudes of nature and conditions of weather and climate.

This last fall was a very specific example of what can happen to the agricultural industry

[Interprétation]

Je n'essaie pas de faire de la politique ici, mais il y a une grande préoccupation dans l'Ouest du Canada, à la suite de la déclaration du premier ministre à Winnipeg le 20 décembre 1968 lors d'un dîner pour obtenir des fonds.

Un cultivateur venu pour l'écouter se préoccupait beaucoup de la vente du blé; et nous ne croyons pas que c'était tellement sage en ce qui concerne l'Ouest, mais le premier Ministre, dans sa sagesse, a dit que ce n'était pas la responsabilité du gouvernement fédéral de voir à la vente du blé, sauf si nous nous trouvions dans une société où le système agraire est la ferme collective, ou quelque chose de ce genre. Mais que la responsabilité de vendre son blé incombe au cultivateur, ce qui a laissé une fort mauvaise impression aux cultivateurs de l'Ouest.

Jusqu'à maintenant nous nous sommes préoccupés et intéressés surtout à la politique du gouvernement pour aider l'industrie agricole à commercialiser ses produits. Ce genre de déclaration, en plus des mesures législatives que nous avons adoptées, portent les agriculteurs à croire que le gouvernement a décidé d'éliminer le petit cultivateur pour n'avoir plus que des fermes coopératives. L'article ajoute: «La conservation de l'exploitation agricole familiale est vitale pour l'Amérique du Nord, et si l'on veut préserver ce concept, il faut faire en sorte que les jeunes puissent faire une carrière aussi intéressante en agriculture que dans tous les autres secteurs d'activité.»

Cela nous amène évidemment au nœud de nos discussions. Je voudrais encore une fois insister, comme je l'ai fait à la Chambre. J'aimerais avoir l'avis du ministre à ce sujet. C'est que, en dépit de cette politique qui, apparemment, vise à éviter toute subvention à l'agriculture, il nous faudrait malgré tout reconnaître que l'agriculture est un style de vie, qu'elle est une industrie importante au Canada, et constater les vicissitudes que connaît l'économie agricole.

Je pense particulièrement à la situation du cultivateur qui doit subir les vicissitudes de la nature, les conditions atmosphériques et climatiques. L'automne dernier a été un exemple très frappant de ce qui peut arriver à l'industrie agricole dans une crise nationale.

[Text]

relative to a national emergency. The Minister has heard this statement many times before, but it has to be repeated.

He has to compete with Mother Nature. He is not going to allow his tractor to sit in the farm yard and rust away; his cows are going to calve, his pigs are going to farrow and his hens are going to lay eggs, and so on. In other words, he is in perpetual motion, as it were. He has to go out and continue to be active, and regardless of what is happening to his economy generally he is providing the basic function in our society of providing food as cheaply as possible. Consequently I think he deserves the same respect as that paid to any other sector of our industry.

The farmer has no control over the cost of goods and services. I, as a small-town businessman, can go out and buy cattle beef, for instance, for my food plant, to sell wholesale to another farmer or another citizen who is not producing meat. If it is 25 cents a pound live weight, it is approximately 50 cents a pound wholesale price. I can ask that from my customer, get my processing charges, and the customer is satisfied. I get my mark-up, and my business continues to prosper.

The same with the man in the labour market. He has his union to represent him. If he is not satisfied with the cost of the goods and services he has to purchase he can go on strike and society will grant him an increase in wages which is commensurate with what he feels is realistic relative to the cost of living at that particular time.

The farmer is not in this happy position. His position is such that unless governments continually take direct and concerted action to see that his products are marketed at a satisfactory price he is in dire straits.

In the west this year we are living almost hungry in a land of plenty, if I may put it that way. We have farmers with bins of grain held over for the last two years, and in some cases three years. Because of the collapse of the International Wheat Agreement, as we knew it, that grain was not moved.

We have been faced with a large pile-up of damp grain, with the result that the farmer is spending extra money in trying to store it and to dry it, and still, in many cases, he has not even been assured of markets for this product even after he dries it.

[Interpretation]

Le ministre a déjà entendu tout cela, mais il est bon de le répéter.

Le cultivateur doit lutter contre la nature. Il ne peut pas laisser son matériel dans la cour de la ferme à rouiller. Ses vaches vont vêler, ses truies vont mettre bas, et ses poules vont pondre. Autrement dit, il est toujours en activité. Il doit sortir et se mettre à l'œuvre et quoi qu'il arrive à l'économie, il remplit un rôle essentiel à l'égard de la société, celui de fournir des aliments au meilleur prix possible. Par conséquent, il mérite d'être pris en considération comme tous les autres secteurs d'activité.

Le cultivateur n'a aucun contrôle sur le coût des biens et services. Si, en tant que petit homme d'affaire, je dois acheter du bétail pour mon usine d'alimentation, pour le revendre au cultivateur ou un autre citoyen qui n'en produit pas, si je dois payer 25 cents la livre sur pied, je le vendrai 50 cents la livre au prix de gros. Je peux le vendre à ce prix, recouvrer mes frais de transformation et mon client sera satisfait.

C'est la même chose dans le secteur du travail. L'ouvrier est représenté par son syndicat. S'il n'est pas satisfait du prix des biens et services, il peut se mettre en grève et obtenir l'augmentation de salaire qu'il considère réaliste en fonction du coût de la vie.

Or, le cultivateur ne peut pas agir ainsi à moins que le gouvernement agisse directement et de façon concertée pour s'assurer que ses produits se vendent à un prix satisfaisant, il se trouve dans une mauvaise situation.

Dans l'Ouest cette année, on crève pratiquement de faim dans une terre d'abondance. Certains cultivateurs accumulent des céréales depuis deux ou même trois ans, à la suite de l'effondrement des accords internationaux et nous n'avons pas pu transporter de céréales.

Nous nous retrouvons actuellement avec des stocks considérables de céréales humides de sorte que le cultivateur doit maintenant dépenser de l'argent pour les emmagasiner et les faire sécher. Et il n'est pas encore assuré, bien souvent, de trouver un marché pour ces produits une fois qu'ils seront secs.

● 1050

As the result of this situation, as I say, we are in dire straits in many areas in Western Canada, and when we find, as I say, that government policy is, as I feel it is, being

Le résultat c'est que la situation est critique dans certaines régions de l'Ouest du Canada. Et quand on s'aperçoit que la politique du gouvernement, comme je le pense, est fondée

[Texte]

directed towards the survival of the fittest, I do not think it is a fair approach.

That concludes my general remarks, but I would like to refer back to the National Grains Council that was referred to by Mr. Thompson when we opened up our discussions this morning. Originally when this was set up there was talk of it having only two meetings a year. I immediately reacted to this statement. I said this Grains Council would not be very effective if we could meet only a couple of times a year, unless it was only going to be a body that would spend most of its time doing research and nothing else.

We now have three very important organizations in Western Canada. We have the pools that market grain; we have the Canadian Wheat Board which is actually the agent for the handling of the grain; and we have the Board of Grain Commissioners which looks after quality and other matters in connection with the whole marketing process.

Is it going to be a case of too many cooks spoiling the broth? We do not want to see another organization set up unless it can serve some effective purpose, because I have noticed in my experience over the years that if you get too many people involved in the same thing, it gives the other people that have been involved a sort of lackadaisical or indifferent attitude. They say, "Well, we will let George do it". I do not want to see this happen.

I am just wondering where we are heading in this. Because the agricultural industry is so important, I would hope, as should every member of Parliament, that this will serve a useful purpose but I am just wondering what further comments the Minister might make regarding the actual function of this new organization. I think myself that we should be concentrating some of our effort on trying to get the members of the International Wheat Agreement together again at some emergency meeting some place to put a few more teeth in our new agreement, or activate it in a way that Canada at least will be able to hold her own and get her share of the present world market.

I find there were many instances in the last year or two where this agreement did not work effectively. Only last fall it came to my attention that France, one of the major partners in this agreement, sold a large amount of barley to Japan at a price of 45 cents a bushel, when under the agreement it should have been around \$1 per bushel. When this type of information gets out into agricultural areas, you can imagine the concern of people. It indicates to me that we are not getting the

[Interprétation]

sur la survie du plus fort, je ne pense pas que ce soit juste.

Ceci met un terme à mes remarques générales. J'aimerais me rapporter à la Commission canadienne des céréales dont a parlé M. Thompson au début du débat, ce matin. À l'origine, lorsque cela a été établi, on envisageait d'avoir seulement deux réunions annuelles. J'ai aussitôt réagi en disant que la Commission n'aurait aucune efficacité si elle ne se réunissait que deux fois par an, à moins qu'elle ne soit qu'un organisme de recherches qui passe une très grande partie de son temps à la recherche et à rien d'autre.

Nous avons déjà trois organisations très importantes dans l'Ouest. Nous avons les syndicats de commercialisation des céréales, la Commission canadienne du blé qui veille à la manutention des céréales et la Commission canadienne des grains qui s'occupe de la qualité et d'autres questions relatives à la commercialisation. Trop de marmitons gâtent la sauce. Nous ne voulons pas créer une nouvelle organisation à moins qu'elle ne serve à quelque chose d'utile. Mon expérience m'apprend que si trop de gens s'occupent de la même chose, plusieurs tombent dans l'apathie ou deviennent indifférents. Ils disent: «George va le faire». Je ne veux pas que cela se produise.

Je me demande où l'on s'en va parce que l'industrie des produits agricoles est très importante, à mon avis. Comme chaque député, je souhaite que cela serve à des fins utiles. Je me demande seulement quels seront les autres commentaires qu'apportera le ministre, sur la fonction actuelle du nouvel organisme. Je pense vraiment qu'il faudrait concentrer nos efforts pour convoquer encore une fois les membres de l'Accord international sur le blé à une réunion d'urgence, afin de consolider notre nouvel accord et de le stimuler de façon à ce que le Canada puisse au moins jouer son rôle et prendre sa place sur le marché mondial des céréales.

A plusieurs reprises, au cours des deux dernières années, l'accord s'est, à mon avis, révélé inefficace.

Ainsi, l'automne dernier, j'ai remarqué que la France, un de nos partenaires les plus importants, avait notamment vendu au Japon une quantité considérable d'orge à 45c. le boisseau, alors que d'après l'entente, il aurait dû se vendre \$1 le boisseau. Lorsque ce genre de renseignements parvient aux oreilles des cultivateurs, vous pouvez vous imaginer leur

[Text]

benefits of this agreement at the present time. There are many other questions, but Mr. Chairman I would like to have the Minister's reply to some of these comments and the odd question, and as we continue on under other items I will have more to say.

Mr. Olson: Mr. Chairman, in replying to Mr. Southam's general remarks I would like to say that he has raised many problems without suggesting any solutions. I am not being critical about that, because I am sure that the agriculture industry in Canada as well as in almost all the other countries in what we refer to loosely as the developed world are searching for solutions to these same problems.

I want to say this, though, that we are not forcing the trend toward urbanization in Canada by any deliberate government policy. I suggest to the member that technology is doing this, because with the advance of technology it is possible for fewer and fewer people to produce more and more agricultural goods. This is something that I think we in Canada have to live with, because if we try to hold back the application of this technology we will be run over by activities in the international sphere. Technology and science are not national. They are international.

● 1055

I want to say, too, that this is going on all over the world and I do not think Canada is far behind in these things.

Indeed, we have some programs that many of the other nations of the world look at as being perhaps not perfect but the best that are in effect anywhere in the world today. I could look, for example, at the dairy policy and the arrangements that we have for supporting it. We have said that this is going to be designed to meet the effective demand, because as long as we are constantly producing against surpluses in all of these agricultural commodities, it is, I think, sensible to try and equate that production to the demand.

Of course, we cannot do that with wheat, because we have to live with the international market in wheat. Because wheat forms so high percentage of our production, we must find a way into the international market. I would like the member to know, too, that we are concerned about the marketing of wheat.

[Interpretation]

réaction. Pour moi, cela signifie que nous ne retirons pas les bénéfices de cette entente à l'heure actuelle. Il y a tout une foule d'autres questions à poser, monsieur le président, mais le ministre voudra peut-être nous dire ce qu'il pense de ces remarques et au fur et à mesure que nous aborderons la discussion d'autres points, je parlerai.

M. Olson: Monsieur le président, pour répondre brièvement aux remarques de monsieur Southam, je dirais qu'il a soulevé beaucoup de problèmes sans pour autant proposer des solutions. Je ne le critique pas parce que je suis certain, de toute façon, que pour l'agriculture au Canada, comme pour l'agriculture dans presque tous les autres pays que l'on inclut dans le monde développé, on cherche à résoudre les mêmes problèmes.

Ce que je veux dire pourtant, c'est qu'aucune politique gouvernementale délibérée ne pousse le Canada à l'urbanisation. Je fais seulement remarquer aux députés que cet état de choses provient de la technologie, car avec le progrès technologique, il est de plus en plus possible à moins de gens de produire plus de denrées agricoles. Et c'est là, à mon avis, une situation que la population canadienne doit accepter parce que si elle se refuse à appliquer la technologie, elle sera alors débordée par les événements internationaux. La technologie et la science ne sont pas des phénomènes nationaux. Ce sont des phénomènes internationaux.

Je voudrais également ajouter que cela se produit dans le monde entier et je ne pense pas que le Canada soit très en retard dans ce domaine.

En fait, nous avons même des programmes que bien des pays considèrent peut-être comme imparfaits, mais disons comme étant les meilleurs qui existent actuellement dans le monde. Je pourrais, par exemple, vous parler de notre politique en matière des produits laitiers et des mesures que nous avons prises pour soutenir cette politique. Elle est conçue, a-t-on dit, pour répondre à la demande réelle car, aussi longtemps que nous produisons toujours à la limite des excédents, dans le domaine des denrées agricoles, je pense qu'il est bon de chercher à avoir une production qui soit à la mesure de la demande.

On ne peut naturellement pas le faire avec le blé parce qu'il nous en faut subir le marché international. Le blé représente un pourcentage tellement élevé de notre production qu'il faut que nous nous introduisions dans le marché international. J'aimerais que les députés sachent également que nous nous intéres-

[Texte]

I am sorry that people continue to misinterpret what the Prime Minister said in Winnipeg, but if they choose to do that we will just simply have to continue to answer it. What he said and what was misinterpreted was that marketing wheat was not the direct responsibility of the government, but that responsibility for selling wheat had been handed by the government and the producers to the Canadian Wheat Board.

I think my friend will agree with me that is what we expect the Wheat Board to spend most of its time doing.

As far as credit is concerned, I think the amendments that we made to the Farm Credit Act and to the Farm Machinery Syndicates Credit Act provide additional amounts of credit for family farms to compete with corporation farms that are having credit injected into them in addition to what is available from the Farm Credit Corporation.

Now to get to the one or two other questions that were asked, the organizational structure of the Canada Grains Council requires it to meet a minimum of twice a year. Article 5 reads:

The Council shall meet twice yearly, or more frequently as it decides, or at the call of the Ministers. The Executive Committee shall meet as often as may be necessary to provide continuity to the work of the Council.

So that twice a year is a minimum.

Regarding the other question you raised about barley and the alleged sale by France at 45 cents a bushel or whatever it was to Japan, all I can say to that is that barley is not included in the arrangements under the International Grains Agreement.

Mr. Southam: Mr. Chairman, can you state why it was not, because under this new International Grains Agreement I thought there was a 52-nation grains council who were taking all of these various grains into consideration.

Mr. Olson: I do not believe that feed grains have ever been under either the old International Wheat Agreement or the new International Grains Agreement.

Mr. Southam: I may be wrong, but we understood that there was a sort of gentleman's agreement to this effect anyway.

Mr. Olson: The reason is very simple. In spite of Canada's representations, the other

[Interprétation]

sons à la commercialisation du blé. Je regrette que les gens continuent à mal interpréter ce que le premier ministre a dit à Winnipeg, mais s'ils persistent dans ce sens, nous ne pouvons que continuer de leur répondre ce que le ministre a dit et que l'on a mal interprété, c'est que le domaine de la commercialisation du blé ne relève pas du gouvernement mais que la vente du blé avait été déléguée à la Commission du blé par le gouvernement et les producteurs.

Je crois que mon ami sera d'accord avec moi pour dire que c'est le rôle que nous attendons de la Commission du blé.

En matière de crédit, je dois dire que les modifications que nous avons apportées à la Loi sur le crédit agricole, et à la Loi sur le crédit accordé aux syndicats de machines agricoles, prévoient une augmentation des crédits accordés aux exploitations agricoles familiales, pour qu'elles puissent concurrencer les sociétés agricoles qui bénéficient de crédits accordés, en plus de ce qui est offert par la Société du crédit agricole.

En ce qui concerne les autres questions qui ont été posées, l'organisation de la Commission canadienne des céréales en a besoin environ deux fois l'an. L'article 5 stipule que: «La Commission se réunira deux fois l'an, ou plus fréquemment comme elle le décidera, ou à la demande des ministres. Le comité exécutif se réunira aussi souvent que possible afin d'assurer une certaine continuité dans le travail de la Commission.»

Par conséquent, deux fois l'an est un chiffre minimal. En ce qui concerne l'autre question que vous avez soulevée au sujet de l'orge et de la présumée vente au Japon, par la France à 45c le boisseau ou quel qu'en soit le prix, tout ce que je peux dire c'est que l'orge ne figure pas aux dispositions de l'Accord international sur les céréales.

M. Southam: Monsieur le président, est-ce que vous pourriez nous dire pourquoi? Je croyais qu'il s'agissait pour l'Accord international sur les céréales, d'un conseil de 52 pays qui tenait compte de toutes les céréales.

M. Olson: Je ne crois pas que les grains de provende n'aient jamais figuré dans l'ancien Accord international sur le blé ou dans le nouvel Accord international sur les céréales.

M. Southam: Je me trompe peut-être mais j'ai cru comprendre qu'il y avait en quelque sorte une entente à l'amiable à cet égard.

M. Olson: La raison en est très simple. Malgré les démarches du Canada, les autres pays

[Text]

countries have never agreed to include feed grains in any of these international arrangements.

Mr. Southam: The cereal council was working in co-ordination with it, was it? This is a question that many people have been asking.

Mr. Olson: I think the answer to the question is that Canada has tried on a number of occasions under the old International Wheat Agreement and under the new one to have feed grains included, but the other nations have not agreed to do so.

The Chairman: Mr. Korchinski has a brief question.

Mr. Korchinski: Mr. Chairman, I have several questions but I just want to say now, because of some remarks the Minister made about technology being to blame, that if technology is the cause of our trouble, then I would suggest that perhaps through technology we are producing food much cheaper and consequently we should have been expanding our markets. And the fact is that that is not so. It is not just a question of wheat, but also the butter subsidy and in other areas.

• 1100

Without opening this issue up for a wide discussion, I just want to say that perhaps since we have discussed the whole grain problem, the terms of reference could be included in today's proceedings so that we would have the whole list of terms in the Minutes of our meeting.

Mr. Olson: It could be. I can table it, but this has been distributed to the members.

Mr. Korchinski: For anybody who is referring to these minutes, the terms of reference could be included as part of the minutes.

Mr. Olson: Mr. Chairman, I do not mind, but my objection is that we have done this repeatedly. I made a statement in the House of Commons on February 4 and I tabled these documents along with it, so it is already fully accessible.

Mr. Korchinski: I have questions that I want to ask on another day, but I am simply saying that anybody studying these reports

[Interpretation]

n'ont jamais voulu que les grains de provende figurent dans aucun accord international sur les céréales.

M. Southam: La Commission sur les céréales travaillait en étroite collaboration, n'est-ce pas? Voilà la question que beaucoup de gens se posent.

M. Olson: Pour répondre à votre question, je crois que le Canada a, à plusieurs reprises, essayé dans le cadre de l'ancien accord international sur le blé et du nouvel accord d'y faire figurer les grains de provende mais les autres pays ont refusé.

Le président: M. Korchinski a une brève question à poser.

M. Korchinski: Monsieur le président, j'ai plusieurs questions à poser. Mais je voudrais simplement dire, à propos des remarques que le ministre a faites et par lesquelles il jetait le blâme de l'état de choses actuel sur la technologie, en disant qu'elle était la cause de nos difficultés, que, pour ma part, je pense que la technologie nous permet de produire des aliments à meilleur compte et que, par conséquent, nous aurions dû étendre notre marché. Mais la réalité nous prouve le contraire. Ce n'est pas qu'une question de blé mais il en est de même pour les subventions accordées pour le beurre et dans d'autres domaines.

Alors, je ne voudrais pas soulever une grande discussion à ce sujet, je peux dire simplement que peut-être, depuis que nous avons débattu la question des céréales, les attributions pourraient figurer au compte rendu d'aujourd'hui, de sorte que nous aurions la liste complète des attributions de ce conseil dans le procès verbal de notre Comité.

M. Olson: Ce document a été distribué.

M. Korchinski: Celui qui se rapporte à ce procès-verbal pourrait considérer les attributions comme en étant une partie.

M. Olson: Monsieur le président, je n'y vois aucune objection, mais on l'a fait à plusieurs reprises. J'ai déjà fait une déclaration à la Chambre des communes le 4 février à ce sujet et j'ai déposé le document en même temps qui est donc déjà entièrement disponible.

M. Korchinski: Non, j'ai d'autres questions à poser un autre jour, mais je voudrais dire simplement que toute personne qui voudrait

[Texte]

would have all of the terms of reference and that is all I am asking. I see no reason—

Mr. Olson: I have no objection.

Mr. Korchinski: I will hold the questions that I have because they will take quite a while.

Mr. Olson: I would like to answer one question that you had about technology. In the last 15 years we have been producing 67 per cent more food with half as many people. This in my opinion, is a direct result of advanced technology in production.

Mr. Korchinski: Why has the market not expanded also?

Mr. Olson: I do not know that it has not.

The Chairman: Gentlemen, we are rapidly approaching the hour of adjournment. I want to thank the members of the Committee for being completely constructive this morning. I think our meeting has been orderly and good. There will be a meeting of the steering committee at 3.30 p.m. It is my understanding that there has been agreement in the Committee that we would proceed with Vote 5, which is the Research Department, at our next meeting on Thursday morning. Shall Item 1 stand?

Item 1 stood.

Gentlemen, the meeting is adjourned to the call of the Chair.

[Interprétation]

étudier nos procès-verbaux, aurait la possibilité de consulter le document en même temps, c'est tout.

M. Olson: J'ai aucune objection à faire.

M. Korchinski: J'attendrai pour poser mes questions parce qu'elles prendront un certain temps.

M. Olson: Maintenant, j'aimerais répondre à la question que vous aviez posée au sujet de la technologie. Au cours des dernières 15 années, nous avons produit 67 p. 100 de plus de produits alimentaires avec la moitié moins de gens. D'après moi, c'est un effet direct du progrès technologique dans la production.

M. Korchinski: Mais pourquoi le marché n'a-t-il pas augmenté aussi?

M. Olson: Je l'ignorais.

Le président: Messieurs, nous en arrivons bientôt à la fin de la réunion.

Je voudrais remercier les membres du Comité d'avoir été très constructifs ce matin. Je pense que notre réunion s'est bien déroulée. Le comité directeur se réunira à 15h30. Je crois comprendre qu'il a été convenu au Comité de poursuivre l'étude du crédit 5, ce qui est le service des recherches, au cours de notre prochaine réunion le jeudi matin.

Est-ce que l'article 1 est en réserve?

Le crédit 1 est réservé.

Messieurs, la séance est levée à l'appel du président.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

Chairman

Mr. Bruce S. Beer

Président

LIBRARY

APR 28 1969

UNIVERSITY OF TORONTO

MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 25

THURSDAY, MARCH 13, 1969

LE JEUDI 13 MARS 1969

Respecting

Concernant

Estimates (1969-70) relating to the
Department of Agriculture

Budget des dépenses de 1969-1970 concer-
nant le ministère de l'Agriculture

WITNESSES—TÉMOINS

(*See Minutes of Proceedings*)

(*Voir Procès-verbaux*)

STANDING COMMITTEE ON
AGRICULTURE

COMITÉ PERMANENT DE
L'AGRICULTURE

Chairman
Vice-Chairman

Mr. Bruce S. Beer
M. Marcel Lessard
(*Lac-Saint-Jean*)

Président
Vice-président

and Messrs.

et MM.

Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas (*Assiniboia*),
Foster,
Gauthier,
Gleave,
Horner,
Howard (*Okanagan*
Boundary),

Korchinski,
Lambert (*Bellechasse*),
La Salle,
Lind,
McBride,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),
Peters,
Pringle,

Roy (*Laval*),
Smith (*Saint-Jean*),
¹ Smerchanski,
Southam,
Thomson (*Battleford-Kindersley*),
Whelan,
Whicher,
Yanakis—(30).

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

¹ Replaced Mr. Turner (*London East*)
on March 12, 1969.

¹ Remplace M. Turner (*London East*), le
12 mars 1969.

(Text)

MINUTES OF PROCEEDINGS

THURSDAY, March 13, 1969.

(28)

The Standing Committee on Agriculture met at 9.44 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas (*Assiniboia*), Foster, Horner, Korchinski, Lessard (*Lac-Saint-Jean*), Lind, McBride, Moore (*Wetaskiwin*), Pringle, Smith (*Saint-Jean*), Southam, Smerchanski, Thomson (*Battleford-Kindersley*), Whelan, Whicher—(20).

Also present: Mr. LeBlanc (*Rimouski*), Member of Parliament.

Witnesses: From the Department of Agriculture: Dr. J. C. Woodward, Assistant Deputy Minister (Research); Dr. A. W. S. Hunter, Director, Ottawa Research Station, Research Branch; Mr. C. B. Grier, Director, Financial and Administration Branch.

The Committee entered upon consideration of Item 5 of the 1969-70 Estimates relating to the Department of Agriculture, namely

RESEARCH

- 5 Administration, Operation and Maintenance, etc. ...\$39,238,100

The Chairman introduced Dr. Woodward who, in turn, introduced the other Departmental officials present.

On Item 1 of the Estimates, Mr. Grier answered a question asked previously; Item 1 continued to stand.

On Item 5, Dr. Woodward and Dr. Hunter answered questions, and Dr. Woodward gave a statement.

(Traduction)

PROCÈS-VERBAL

Le JEUDI 13 mars 1969.

(28)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 44, sous la présidence de M. Beer.

Présents: MM. Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas (*Assiniboia*), Foster, Horner, Korchinski, Lessard (*Lac-Saint-Jean*), Lind, McBride, Moore (*Wetaskiwin*), Pringle, Smith (*Saint-Jean*), Southam, Smerchanski, Thomson (*Battleford-Kindersley*), Whelan, Whicher—(20).

De même que: M. LeBlanc (*Rimouski*), député.

Témoins: Du ministère de l'Agriculture: M. J. C. Woodward, sous-ministre adjoint (Recherche); M. A. W. S. Hunter, directeur, Station de la Recherche d'Ottawa, Direction de la recherche; M. C.B. Grier, directeur, Direction des affaires financières et administratives.

Le Comité passe à l'examen du crédit 5 des prévisions budgétaires du ministère de l'Agriculture pour l'année 1969-1970, à savoir:

RECHERCHES

- 5 Administration, fonctionnement et entretien, etc.\$39,238,100.

Le président présente M. Woodward, qui, à son tour, présente les autres représentants du Ministère.

Sur l'article 1 des prévisions budgétaires, M. Grier répond à une question posée précédemment; l'article 1 demeure réservé.

Sur l'article 5, M. Woodward et M. Hunter répondent à des questions, et M. Woodward fait une déclaration.

After some more questions, it was agreed that copies of the following would be distributed to Committee members:

Report...on the Scientific Activities of the Canada Department of Agriculture.

With questioning continuing, Item 5 was allowed to stand.

At 10.58 a.m., the Committee adjourned to the call of the Chair.

Après quelques autres questions, il est convenu de distribuer aux membres du Comité des exemplaires du document suivant:

Rapport...sur l'activité scientifique du ministère de l'Agriculture du Canada.

L'interrogatoire se poursuivant, le crédit 5 est réservé.

A 10 h. 58 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

Le secrétaire du Comité,
Michael A. Measures,
Clerk of the Committee.

[Texte]

EVIDENCE

(Recorded by electronic apparatus)

Thursday, March 13, 1969

• 0944

The Chairman: Gentlemen, I am informed that a quorum has been counted. When we last met it was agreed that we would move to Item 5:

Department of Agriculture Research

5. Administration, Operation and Maintenance including the costs of publishing departmental research papers as supplements to the "Canadian Entomologist" \$39,238,100

I did have on my list at that particular time a number of questions. I assume, since we have moved to a new item, it probably will not be necessary to recognize the list from last week.

We did have a question asked which was not completely answered. I think our Departmental officials are prepared to do that for us this morning, but before they do I think I am slightly in error in not introducing the gentleman on my right. I would like to introduce Dr. Woodward who is the Assistant Deputy Minister, Research Branch. Dr. Woodward, would you introduce the other gentlemen from the department, please?

Dr. J. C. Woodward (Assistant Deputy Minister, Research Branch, Department of Agriculture): Mr. Chairman and gentlemen, on my right, Dr. Ludwig, the Assistant Director General of Administration in the Research Branch; next, is Dr. K. Rasmussen, the Associate Director General of the Research Branch.

In the corner, first, Mr. C. B. Grier, who is the Director General of the Financial and Administration Branch; next, Mr. D. H. Costley, the Supervisor of Financial Planning and Program Review, and finally, Dr. A. W. S. Hunter who is the Director of our Ottawa Research Station. Thank you, sir.

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Le jeudi 13 mars 1969

Le président: Messieurs, on vient de me dire que nous avions quorum. Lorsque nous nous sommes réunis mardi dernier, nous avions convenu de passer au crédit 5.

Ministère de l'Agriculture Recherche

- Crédit 5—Administration, fonctionnement et entretien, y compris les frais de publication de rapports de travaux de recherche du ministère comme suppléments à «L'Entomologiste canadien» \$39,238,100

A ce moment-là, j'avais sur ma liste un certain nombre de personnes voulant poser des questions. Je suppose, étant donné que nous avons abordé un nouveau ministère, qu'il sera probablement inutile de conserver la liste de la semaine dernière.

Nous avons une question à laquelle on n'avait pas complètement répondu. Je pense que les fonctionnaires du ministère sont maintenant disposés à le faire. Mais avant de leur donner la parole, je pense que je devrais les présenter.

D'abord, le D^r J. C. Woodward, sous-ministre adjoint, Direction de la Recherche, Ministère fédéral de l'Agriculture qui voudra bien présenter les responsables de son ministère.

Dr J. C. Woodward (Sous-ministre adjoint, Direction de la Recherche, Ministère fédéral de l'Agriculture): Monsieur le président, messieurs, à ma droite, il y a le docteur R. A. Ludwig, Directeur général adjoint de l'administration, Direction de la Recherche, Ministère fédéral de l'Agriculture. À côté de lui, il y a le D^r K. Rasmussen, Directeur général associé, Directeur de la Recherche, Ministère fédéral de l'Agriculture.

Dans le coin vous avez d'abord M. C. B. Grier, Directeur, Direction des affaires financières et administratives, Ministère fédéral de l'Agriculture; ensuite M. D. H. Costley, Planification financière et analyse des programmes, Direction des affaires financières et administratives, Ministère fédéral de l'Agriculture; et enfin le D^r A. W. S. Hunter, Directeur, Station de la Recherche d'Ottawa, Direction de la Recherche, Ministère de l'Agriculture.

Je vous remercie, messieurs.

[Text]

The Chairman: Thank you, Dr. Woodward. I understand the question which was asked last week by Mr. Gleave could be answered this morning. Mr. Grier are you prepared to answer the question? If so, it then will be in our record.

Mr. C. B. Grier (Director, Financial and Administration Branch, Department of Agriculture): Yes, Mr. Chairman, this question dealt with the contributions to the Agricultural Economics Research Council. I believe the question was, what contributions were made by the federal government to provinces and the agri-business and farm organizations in the last complete year? The last year for which we have complete information is 1967-68, when the combined contribution to the provinces, agri-business and farm organizations was \$55,755 of which the federal government contributed half or \$27,877.

The Chairman: Thank you, Mr. Grier.

The meeting is open for questions. I have on my list Mr. Whicher and Mr. Lessard. I recognize Mr. Whicher.

Mr. Whicher: Mr. Chairman, I am very interested in the research that was done in the last few years with what we call Latham raspberries and I think probably the Department knows I am interested in this. I understand this was a joint program between the Research Branch of the Ontario Department and the Canadian one.

I would like to know from Dr. Woodward or any of his officials just where the federal Department is involved in this program. For example, did they supply the original plants to the certified growers? Is the Canadian Department of Agriculture involved along with the Ontario one? When I get the answer to that, I will go a little further.

The Chairman: Dr. Woodward?

Dr. Woodward: Mr. Chairman, I would like to ask Dr. Hunter, our Director, who was co-operating immediately with the Ontario Department to give an answer to this question.

Dr. A. W. S. Hunter (Director, Ottawa Research Station, Research Branch, Department of Agriculture): Mr. Chairman, the answer to the first question is yes. The federal Department is involved in this program and we are responsible for supplying the initial stock—virus indexed stock—to the Ontario Department of Agriculture. This is

[Interpretation]

Le président: Je vous remercie docteur Woodward. Je crois savoir que la question posée par M. Gleave pourrait recevoir réponse maintenant. Est-ce que M. Grier pourrait maintenant nous donner une réponse? Dans l'affirmative, elle sera portée au compte rendu.

M. C. B. Grier (Directeur, Direction des affaires financières et administrative, Ministère fédéral de l'Agriculture): M. le Président, cette question portait sur les contributions au Conseil de recherches en économie rurale. Je pense que la question était de savoir quelle était la contribution du gouvernement fédéral, des provinces, des entreprises et des organisations agricoles au cours de la dernière année. La dernière année pour laquelle nous avons des renseignements est 1967-1968. Les contributions combinées aux provinces, aux entreprises et aux organisations agricoles étaient de 55,557.00 dont la moitié, soit 27,877.00, venait du gouvernement fédéral.

Le président: Merci monsieur Grier. Maintenant, messieurs, vous pouvez poser vos questions. J'ai M. Whicher et M. Lessard sur ma liste. Je donne la parole à M. Whicher.

M. Whicher: Monsieur le président, je m'intéresse beaucoup aux travaux de recherches effectués au cours des dernières années sur les framboises de variété Latham. Je crois savoir qu'elle a fait l'objet d'un programme conjoint entre l'Ontario et le Service fédéral Canadien.

Je voudrais savoir si le docteur Woodward ou ses fonctionnaires pourraient nous dire dans quelle mesure le ministère fédéral y participe. Par exemple, ont-ils fourni les plants originaux aux producteurs certifiés? Le ministère fédéral de l'Agriculture y participe-t-il de concert avec celui de l'Ontario? Lorsque j'aurai reçu réponse à cela, je continuerai.

Le président: Docteur Woodward?

M. Woodward: Monsieur le président, j'aimerais demander au docteur Hunter qui s'occupait de coordonner le programme avec le ministère ontarien, de répondre à cette question.

M. A. W. S. Hunter (Directeur, Station de la Recherche d'Ottawa, Direction de la Recherche, Ministère fédéral de l'Agriculture): Monsieur le président, la réponse à la première question est affirmative. Le ministère fédéral de l'Agriculture participe à ce programme et son rôle est de fournir les plants d'origine—des plants éprouvés et clas-

[Texte]

supplied in the form of a small number of plants; I cannot tell you how many, but something of the order of probably 50 to 100 plants. These are supplied to the Ontario Department of Agriculture and Food, Horticultural Research Institute of Ontario at Vineland where they are multiplied for one generation and turned over to a grower of what we call foundation stock. That grower multiplies them in the field for one year and provides plants to men who are known as growers of certified stock.

Mr. Whicher: Mr. Chairman, may I ask Dr. Hunter, did you select or did the Ontario Department select the growers of certified stock? There would be a limited number.

Did you select these people and after they were picked, did you or did the Department of Agriculture in Toronto draw up a contract whereby the growers guaranteed to propagate the foundation stock as supplied by you and, in turn, did you guarantee absolutely that these were Latham raspberries?

Dr. Hunter: The answer to the first part of your question is that our responsibility for this material ended when we turned the plants over to the Ontario Department at Vineland.

Mr. Whicher: But did you guarantee that they were Latham stock?

Dr. Hunter: No, sir.

Mr. Whicher: You did not?

Dr. Hunter: No, sir, there was no guarantee.

Mr. Whicher: I have documents in front of me here that may be from the Ontario Department; I will not deny that. In fact, that is why I asked how you got involved. I have a document here, for example, dated November 15, 1968 which reads as follows:

The Ontario and Canada Departments of Agriculture have been investigating the performance of the virus-free Latham being grown in our Certification Program.

There is no other word at all, it says, "Latham", that these are Latham. I have here a contract with one of the certified growers which guarantees that they are Latham, and I have here a tag affixed when the producer sells these so-called Latham raspberries, that absolutely guarantees them. The tag says, "Raspberry Certification Programme" with

[Interprétation]

sifiés—au ministère de l'Agriculture de l'Ontario. Ceux-ci sont fournis sous la forme d'un petit nombre de plants de 50 à 100. Je n'en connais pas le chiffre exact. Ces plants sont fournis au ministère de l'Agriculture de l'Ontario à la station de recherches horticoles d'Ontario où elles sont multipliées en une génération puis ensuite remis à un producteur de plants de base. Le producteur les multiplie sur le terrain pendant un an et fournit ce que l'on appelle des plants certifiés qui sont remis à des producteurs de plants certifiés.

M. Whicher: Puis-je demander alors au docteur Hunter si c'est lui ou le ministère de l'Ontario qui a choisi les producteurs de plants certifiés.

Est-ce vous qui les avez sélectionnés et une fois la sélection faite, est-ce que vous ou le ministère de l'Agriculture de Toronto avez passé un contrat en vertu duquel les producteurs garantissaient de propager les plants de base. Leur avez-vous garanti en retour que vous leur remettiez de véritables framboises Latham.

M. Hunter: En ce qui concerne la première partie de votre question, notre responsabilité à l'égard de ce produit se restreignait à transmettre ces plants au ministère de l'Ontario à Vineland.

M. Whicher: Mais est-ce que vous avez garanti qu'il s'agissait de framboises Latham?

M. Hunter: Non, absolument pas.

M. Whicher: Vraiment?

M. Hunter: Non, absolument pas. Il n'y avait aucune garantie.

M. Whicher: J'ai des documents sous les yeux qui proviennent peut-être du ministère de l'Agriculture de l'Ontario, je ne vais pas le nier. De fait, c'est pourquoi je veux savoir comment vous y avez été mêlés. Ainsi, j'ai un document en date du 15 novembre 1968 où il est dit:

«Le ministère de l'Agriculture de l'Ontario et le ministère fédéral de l'Agriculture ont étudié le comportement des «Latham» sans virus cultivé, dans le cadre de notre programme de certification.

Il n'est rien dit d'autre, seulement «Latham», que ce sont les «Latham». J'ai également un contrat ici avec un producteur certifié qui garantit que ce sont des «Latham» et j'ai ici une étiquette qui y est attachée lorsque le producteur vend ces prétendues framboises Latham, et qui les garantit entièrement. L'étiquette indique «Programme de

[Text]

which you have admitted you are involved, "Certified Stock, Variety—Latham". It does not list any other name, it says, "Latham". Now what about that?

Dr. Hunter: Certainly there is no guarantee so far as we are concerned. Of course, being reputable people, we would do our utmost to make sure that the stock is true to name. There is no written guarantee, however, any more than any nursery firm will guarantee to a grower that the plants they provide are the variety as stated.

Mr. Whicher: Dr. Hunter, did you not change the name after the program started?

Dr. Hunter: Yes, we had to change the name because we found that the variety did not conform with what we generally accept to be true Latham variety.

Mr. Whicher: In other words, these were sent to the Ontario Department as Latham?

Dr. Hunter: That is right.

Mr. Whicher: But then you changed the rules in the middle of the game and they became something else?

Dr. Hunter: I do not think you are being quite fair in saying that we changed the rules.

Mr. Whicher: You changed the name?

Dr. Hunter: We changed the name, yes.

Mr. Whicher: From hockey to baseball?

Dr. Hunter: No, sir.

Mr. Whicher: Well, it says right here in the letter "Because the Latham in our Program". This letter is dated November 15, 1968:

Because the Latham in our Program has some characteristics which differ from the Latham commonly grown in Ontario in the past, we have designated it as "Ottawa Latham".

Dr. Hunter: That is right.

Mr. Whicher: In other words, whether you absolutely guaranteed the stock was Latham or not, certainly the poor grower who had to sign this certificate which he guaranteed to put on his plants as they were sold—this is the certificate right here—certainly the grower thought they were Latham. For the benefit of the Committee, and I am only an amateur at this, Latham raspberries are a recognized

[Interpretation]

certification des framboises», auquel vous avez admis participer, et «stock certifié catégorie Latham». Il n'y a aucun autre nom d'énuméré, seulement «Latham». Alors, qu'est-ce que vous en pensez?

M. Hunter: Certainement, il n'y a pas de garantie en autant que nous sommes concernés. Nous, comme nous sommes des gens honorables, nous faisons de notre mieux pour nous assurer que le stock est conforme à l'étiquette, mais il n'y a aucune garantie par écrit, pas plus qu'un pépiniériste garantirait à un producteur que les plants qu'il lui fournit sont de la variété déclarée.

M. Whicher: Docteur Hunter, est-ce que vous n'avez pas changé le nom après le début du programme?

M. Hunter: Oui, il a fallu changer ce nom parce que nous avons constaté que la variété n'était pas conforme à ce que l'on considère généralement comme véritable catégorie Latham.

M. Whicher: Autrement dit, elles ont été envoyées au ministère ontarien au titre de «Latham»?

M. Hunter: C'est exact.

M. Whicher: Ensuite, vous avez changé les règles au milieu du jeu, et elles sont devenues autre chose.

M. Hunter: Non, je ne pense pas que ce soit juste de dire qu'on a changé les règles.

M. Whicher: Vous avez changé le nom...

M. Hunter: Nous avons changé le nom, oui.

M. Whicher: Du hockey au baseball?

M. Hunter: Non, monsieur.

M. Whicher: Mais c'est marqué ici très clairement, dans la lettre du 15 novembre 1968;

«Parce que la catégorie «Latham», dans notre programme, a certaines caractéristiques qui sont différentes de la catégorie «Latham» cultivée normalement dans l'Ontario, nous l'avons nommé «Latham d'Ottawa».

M. Hunter: C'est exact.

M. Whicher: Autrement dit, que vous garantissiez le stock comme étant des «Latham» ou non, le pauvre producteur qui a dû signer ce certificat qu'il s'est engagé à mettre sur ces plants lors de la vente—voici le certificat—certainement le producteur, lui, croyait que c'était des «Latham». Au profit des membres du Comité, je dirai, sans vouloir passer pour un professionnel, que les fram-

[Texte]

fine plant. So this man, the one I am thinking about, invested many thousands of dollars and he sold to export trade. I call your attention to Item 4, in Part 2 of the contract which the dealer and the Department of Agriculture signed. The dealer had to offer for sale not less than 50 per cent of the total number of plants of each variety produced and that variety, in this instance, was Latham. Afterwards the name was changed from "Latham" to "Ottawa Latham".

The Chairman: Mr. Whicher, you said "the Department of Agriculture"; I think probably you should specify whether it is the Ontario Department of Agriculture and Food, or the Canada Department of Agriculture.

Mr. Whicher: The Ontario Department of Agriculture obtained these Latham, as I understand it according to Dr. Hunter, from our Experiment Station and they accepted them as Latham—this is a combined program. Then the Research Institute at Vineland, Ontario turned them over to this grower who had to guarantee to put this tag on every bundle that he exported, guaranteeing, not Ottawa Latham, gentlemen, but Latham; there it is right there.

Now, this man exported many and they have just caught up to it. Last spring, in 1968, this Department, along with the gentleman concerned, got complaints from New York. So the Department here and/or in Ontario changed the name of it from Latham to Ottawa Latham. This man is stuck at the present time with 200,000 plants heeled in the ground ready for export in the spring and the Department refuse to let him export because they are not Latham, which was guaranteed before.

• 0955

Now, Mr. Chairman, what I say is this: I think this is terrible thing. If there was ever a case where we needed an ombudsman in Canada it is now. This poor innocent fellow—who, incidentally is not in my riding—a Czech who has been here for ten years and has been successful in his business, is going to lose every nickle he has—he is involved to the tune of approximately \$100,000—because he has been advised by the Research Institute at Vineland, which is the Ontario Department of Agriculture in this instance in co-operation with the federal Department of Agriculture, to burn the plants. Why? Because they are

[Interprétation]

boises Latham sont reconnues comme des plants très recherchés. Eh bien, cet homme auquel je songe à investi plusieurs milliers de dollars et il a vendu à l'exportation. J'attire votre attention sur l'article 4 de la deuxième partie du contrat intervenue entre le commerçant et le ministère de l'Agriculture. Le commerçant avait dû mettre en vente 50 p. 100 de la totalité des plants de chaque variété qu'il a produite et cette variété, dans le cas présent, c'est la «Latham». Par la suite, le nom a été changé et est devenu «Latham d'Ottawa» au lieu de «Latham».

Le président: Monsieur Whicher, vous avez dit «le ministère de l'Agriculture»; je pense que vous devriez préciser s'il s'agit du ministère de l'Ontario ou du fédéral?

M. Whicher: Le ministère de l'Agriculture de l'Ontario a obtenu ces «Latham», d'après ce que j'ai pu comprendre, d'après ce qu'a dit M. Hunter de notre succursale expérimentale et les a acceptées comme telles, c'est là un programme combiné. Ensuite, l'Institut de recherches de Vineland (Ontario) les a passées à ce producteur qui a dû garantir qu'il mettrait cette étiquette sur chaque paquet qu'il exporterait, garantissant non pas des «Latham d'Ottawa», mais des «Latham». Et c'est marqué ici.

Alors cet homme a exporté beaucoup de ces produits et on ne fait que de s'en apercevoir. Au printemps dernier, en 1968, le présent ministère et la personne concernée ont reçu des plaintes de New York. Le ministère fédéral ou provincial a donc changé le nom de «Latham» à «Latham d'Ottawa». Cet homme, à l'heure actuelle, est bloqué avec 200 mille plants qui sont mis en jauge dans le sol prêts pour l'exportation au printemps et le ministère refuse de les lui laisser exporter parce qu'il ne s'agit pas de «Latham», alors que c'est là ce qui était garanti.

Eh bien, monsieur le président, je dois avouer qu'il s'agit d'une chose très grave et si nous avons besoin d'un ombudsman au Canada, c'est bien maintenant. Cet homme innocent, qui, incidemment, n'est pas dans ma circonscription, mais qui est Tchèque et qui est au Canada depuis dix ans et a réussi en affaires, va perdre chaque centime qu'il possède—il est engagé pour un montant de l'ordre de \$100,000—parce que l'Institut de recherches de Vineland, qui relève du ministère de l'Agriculture de l'Ontario, dans le présent cas, en collaboration avec le ministère fédéral de l'Agriculture, lui a conseillé de

[Text]

not Latham. The fruit is just not satisfactory and I have all sorts of letters to prove this.

I know that the Department have evidently taken the attitude that they have no responsibility. Mr. Chairman I leave it up to you and to the Committee: is there any responsibility in a situation like this? Perhaps I am barking up the wrong tree, but other members may feel sympathy for this chap and I would appreciate it if they would ask questions about this. Perhaps Dr. Hunter would like to elaborate. There are always two sides to every story and I am sure that he has a side.

The point is that this program was started in 1962 by Ontario and by the Research Branch right here, and I have the information here. Also I have the contract here in front of me; it tells the grower what to do and there is every indication these plants were guaranteed to be a certain name variety and now that name is changed because the fruit is no good. I do not think one man should get stuck for this.

Dr. Hunter: I would just like to elaborate to a degree. In distributing a variety of this nature, of course, we make every effort to be sure that the variety is as named. This is sometimes very difficult to do; to be 100 per cent sure. Early in the Certification Program there were questions raised about this particular stock of Latham because it appeared to be somewhat different from Latham as it was commonly grown in Ontario at the time. We had it examined by people who are authorities in raspberry variety identification and they passed it as true Latham. In April 1967 it was noticed that trial plantations of this variety were producing somewhat small and soft fruit. A letter was written by the man in charge of the Ontario program to Mr. Hartman...

Mr. Whicher: What date?

Dr. Hunter: It was April 11, 1968.

Mr. Whicher: I am not challenging Dr. Hunter, of course, but I only say that on November 15, 1968 I have a letter letting Mr. Hartman know...

The Chairman: Would you permit Dr. Hunter to finish his statement?

[Interpretation]

brûler ses plants. Et pourquoi? Simplement parce que ce ne sont pas des «Latham». Le fruit n'en est simplement pas satisfaisant et j'ai reçu plusieurs lettres pour le prouver.

Le ministère adopte l'attitude selon laquelle il n'a aucune responsabilité. Et bien, monsieur le président, je laisse cela entre les mains du Comité. N'existe-t-il aucune responsabilité dans une situation comme celle-ci. Peut-être que je frappe à la mauvaise porte, je ne sais pas, mais je serais très heureux que les députés, si ils pensent que cet homme a raison, posent des questions à ce sujet. Peut-être que le D^r Hunter a quelque chose à ajouter. Bien sûr, il y a toujours deux versions dans une même affaire. Il y a toujours deux versions dans une même affaire, je pense donc qu'il peut donner sa version de l'affaire.

Le programme a été lancé par l'Ontario et par la Direction de la recherche du ministère fédéral de l'Agriculture, en 1962, et j'ai les renseignements ici. J'ai également le contrat sous les yeux et je vois clairement ce que le cultivateur devait faire. Et bien, tout est clairement indiqué, il y a un nom qui devait être garanti, ce nom a été changé simplement parce que le bruit n'était pas bon. Et je ne pense pas qu'un homme doit être bloqué à cause de cela.

M. Hunter: J'aimerais en parler dans une certaine mesure. En distribuant une variété de cette nature, nous faisons tout ce que nous pouvons pour nous assurer qu'elle est bien la variété dont le nom est indiqué. C'est parfois difficile à faire. Au début du programme de certification, des questions ont été soulevées quant à cette variété particulière de «Latham» parce qu'il semblait que cette variété était différente des «Latham» normalement cultivés en Ontario à cette époque-là. Nous avons fait faire des examens auprès de gens qui sont experts en la matière, nous avons catégorisé, et ils l'ont identifiée comme étant de véritables «Latham». Puis en avril 1967, on a constaté que les plans d'essai de cette variété produisaient des fruits plus petits et mous. Le préposé au programme de l'Ontario a alors écrit une lettre à M. Hartman.

M. Whicher: A quelle date.

M. Hunter: Le 11 avril 1968.

M. Whicher: Je ne vous mets pas en doute, D^r Hunter, mais je veux simplement vous dire que le 15 novembre 1968, j'ai ici une lettre informant M. Hartman...

Le président: Veuillez laisser M. Hunter terminer sa déclaration.

[Texte]

Dr. Hunter: In this letter, sir, it was stated that in view of the rather small fruit and soft fruit of this variety it would not be recommended for extended planting in Ontario. I am not sure this is the exact wording, but it was to that effect. This letter was sent to Mr. Hartman.

It was not until October, 1968 that what we now call the Ottawa Latham and the United States Department of Agriculture strain of Latham were planted side by side in the one nursery. Our people went down to New York State and examined it and agreed that the variety we had been distributing as Latham was not the Latham that is commonly called Latham.

It was agreed that the variety that is commonly known as Latham was most likely to be true Latham and that it should be called the true Latham. In order to avoid selling something under false pretences which was not what we had expected it to be, it was decided to call this variety Ottawa Latham. I think, if we had gone on and called it Latham, Mr. Hartman might have been able to sell his plants, but then he would eventually have been subject to considerable criticism and reprisal because what he was selling was not Latham. We realized by this time that it was not Latham.

• 1000

Mr. Whicher: Mr. Chairman, you realize that this program started in 1962. I have a letter in front of me which is dated November 15, 1968, which starts as follows:

Dear Sir,

The Ontario and Canada Departments of Agriculture have been investigating the performance of the virus-free Latham being grown in our Certification Program. The plants have been vigorous,...

This was November 15, 1968.

... hardy, and considerably resistant to powdery mildew and, in these respects, the variety has performed well. However, the berries have generally been somewhat small and soft and in these respects inferior to the Latham commonly grown in Ontario in the past. Also, yields have been somewhat disappointing.

Because the Latham in our Program has some characteristics which differ from the Latham...

Guaranteed, gentlemen, by the Department ... commonly grown in Ontario in the past, we have designated it...

[Interprétation]

M. Hunter: Dans la lettre monsieur, il était donc indiqué que, en raison de la petitesse et la mollesse de ces fruits, il n'était pas possible d'en recommander l'extension dans l'Ontario. Enfin je ne sais pas exactement comment cela a été dit mais c'était sous cette forme. Cette lettre a été envoyée à M. Hartman.

Ce n'est qu'en octobre 1968, que ce qu'on appelle maintenant la «Latham d'Ottawa» et la variété américaine «Latham» du ministère de l'Agriculture des États-Unis ont été plantée côte à côte dans une pépinière. Les gens sont allés dans l'État de New York, les ont examinées et ont reconnu que les variétés que nous avions distribuées sous le nom de «Latham» n'étaient pas la même variété que celle qu'on appelle ordinairement «Latham».

Et il a été convenu que la variété que l'on appelle ordinairement «Latham» devrait être véritablement la «Latham» et qu'elle devrait être appelée la véritable «Latham». Afin d'éviter de vendre un produit sous de fausses représentations, ce que nous n'avions pas prévu, et bien il a été décidé d'appeler cette variété la «Latham d'Ottawa». Je pense que si nous avions continué à l'appeler «Latham», M. Hartman aurait peut-être vendu ses plants, mais à la fin on l'aurait critiqué parce qu'il vendait de fausses Latham. Nous nous sommes rendu compte à ce moment qu'il ne s'agissait pas de vraies Latham.

M. Whicher: Monsieur le président, ce programme a débuté en 1962. La lettre que j'ai sous les yeux, en date du 15 novembre 1968, commence comme suit:

«Monsieur,

Les ministères de l'Agriculture de l'Ontario et du Canada ont étudié le comportement des Latham sans virus cultivées aux fins du programme de certification. Les plants sont vigoureux,...

C'était le 15 novembre 1968.

...et sont très résistants au milieu poudreux; cette variété s'est donc très bien comportée à cet égard. Mais, en général, les baies étaient plus petites et plus molles et en ce sens inférieures aux Latham produites en Ontario dans le passé. Et même les rendements étaient inférieurs.

Étant donné que certaines caractéristiques de la Latham de notre programme diffèrent de la Latham...

Garanti, messieurs, par le ministère.

...normalement cultivée en Ontario, nous l'avons désignée...

[Text]

Now this tag is no good, you see.

...we have designated it as "Ottawa Latham". Therefore, the name "Ottawa Latham" must be used in all advertising and sales and certification tags will be issued as "Ottawa Latham".

Since its performance has been disappointing,...

Remember it was good from 1962 to 1968.

...we will no longer be recommending Ottawa Latham for commercial production. ...

But this was after the man had a fortune invested in this venture. The plants had already been planted the previous spring, but in November 1968, the 200,000 plants that he had heeled in the ground, ready for export the next spring, were no good.

... It is also unlikely there will be an export market for this variety. We will not be releasing any more plants for production of Foundation stock and existing plants should be phased out as soon as possible. Prospective customers of Latham should be informed of our findings on its performance and we would request you to do this.

We will attempt to bring a new strain of virus-free Latham into the Program as soon as possible and you will be kept informed of our progress in this respect.

Now here is the letter of April 11, 1968, but remember all the plants had been planted by then and they had been ordered from the Research Institute at Vineland.

You will recall that in my letter of April 11, 1968,

That is the one Dr. Hunter was talking about.

...I expressed concern about the performance of Latham and Viking and about the high proportion of Latham in the certified plantings. I also sent you a list of recommended varieties, their descriptions, and mimeographed results of our variety trials at Vineland and Simcoe. Additional copies of this information is enclosed. You may wish to use it in dealing with your customers.

Now the point is,

I will send you a small supply of certification tags...

[Interpretation]

Cette appellation ne veut rien dire;

...nous l'avons désignée «Ottawa Latham». Par conséquent, l'appellation «Ottawa Latham» doit figurer dans les annonces et les ventes, et des étiquettes de certification portant la mention «Ottawa Latham» seront émises.

Comme leur culture a été décevante...

N'oubliez pas que cela est valable de 1962 à 1968.

«Nous ne recommanderons plus la production commerciale des «Ottawa Latham».

Mais tout ceci se passe après que cet homme ait investi une fortune dans cette entreprise. Les plants étaient déjà en terre le printemps précédent, mais en novembre 1968, les 200,000 plants qu'il avait mis en terre et qu'il était prêt à exporter dès le printemps ne valaient plus rien.

«...Il n'est pas probable que l'on trouve un marché pour cette variété-là. Nous cesserons de distribuer de nouveaux plants pour la production de base, et les plants actuels devront être remplacés. Les clients éventuels de Latham doivent être tenus au courant de cette situation, et nous aimerions que vous le fassiez.

Nous tenterons dès que possible d'inclure au programme une nouvelle variété de Latham sans virus, et nous vous tiendrons au courant des progrès que nous aurons faits dans ce domaine.

A présent, voici la lettre du 11 avril 1968, mais n'oubliez pas que les plants étaient déjà en terre et qu'ils avaient été commandés de l'Institut de recherches à Vineland.

«Vous vous souviendrez que dans ma lettre du mois d'avril 1968 ...»

C'est celle dont le Dr Hunter parlait.

«...j'avais manifesté mon inquiétude à propos de la qualité du Latham et du Viking et au sujet de la forte proportion de Latham parmi les jeunes plants certifiés. Je vous avais également fait parvenir une liste de variétés recommandées, leur description ainsi que les résultats miméographiés des essais effectués sur nos variétés à Vineland et à Simcoe. Nous vous envoyons, sous ce pli, des copies supplémentaires de ces renseignements au cas où vous voudriez vous en servir en traitant avec vos clients.

La question est

«Je vous enverrai quelques étiquettes de certification. ...»

[Texte]

These are the tags, gentlemen.

Please send me an estimate of the number of tags per variety which you will require for stock produced in the 1968 season. Please estimate your requirements as closely as possible. Tags left over from last year should not be used. The expiry date stamped on these tags was July 1st, 1968. We do not want to set a precedent by changing information stamped on tags.

In other words, we do not want to put "Ottawa Latham" on the tags instead of "Latham."

Unused tags will be picked up by Mr. Jackson when he calls again.

• 1005

Gentlemen, may I just take another minute. Mr. Chairman, I have no criticism of the Research Branch. My goodness, anywhere in the world in any branch of research mistakes are made, but in this particular instance, tags were issued and contracts were signed guaranteeing this to be a certain product. However, that product was not as it was named. This man took the word of the Governments of Canada and Ontario, invested his money in these plants, signed contracts with New York producers and now he is going to pay these producers back, gentlemen, because he happens to be a Jack who works hard. He is going to pay the producers and replace these plants and he is going to sell his farm to do it. His boy who was to go to the Ontario Agricultural College next fall will not be going to the Ontario Agricultural College because he will not have the money. Now I say this, if we have an honest citizen who is going to pay this money back then the Departments of Agriculture in Canada and in Ontario have some responsibility. They should pay for...

The Chairman: Gentlemen I have permitted, I think, some latitude here to enable you, Mr. Whicher, to make your point. I do not think the Committee could undertake to constitute itself as a court of law to assess the degree of injury that has been done and what compensation, if any, should be awarded. I think the Committee could not assume that kind of responsibility. I wonder if we could recognize some of the other questioners and go on to consider the estimates that are before us on Item 5. This adjudication, if I may use that term, could be referred to a

[Interprétation]

Messieurs, voici les étiquettes.

Veuillez nous faire savoir le nombre d'étiquettes, par variété, que vous aurez besoin pour les plants qui pousseront en 1968. Veuillez faire en sorte que l'évaluation de vos besoins soient la plus précise possible. Les étiquettes de l'année dernière ne doivent pas être utilisées. La date d'expiration de ces étiquettes était au premier juillet 1968. Nous ne voudrions pas changer les renseignements figurant sur cette étiquette et établir ainsi un précédent.

Autrement dit, je ne voudrais pas que les étiquettes portent l'inscription «Ottawa Latham» mais simplement «Latham».

«Et M. Jackson passera pour ramasser les étiquettes non utilisées.

Messieurs, permettez-moi de prendre encore une minute de votre temps. Monsieur le président, je ne critique pas du tout la Direction de la recherche. Mon Dieu, aucun service de recherche au monde n'est infaillible, mais dans ce cas particulier, les étiquettes ont été émises, les contrats garantissant ce produit comme étant sûr, ont été signés. Malgré tout, ce produit était autre que ce que le nom disait. Or, cet homme a cru en la parole du gouvernement, en la parole de l'Ontario, en la parole du Canada. Il a investi beaucoup d'argent dans cette affaire. Il a passé des contrats avec des producteurs de New-York et maintenant, messieurs, il est obligé de rembourser tous ces producteurs, parce que c'est un type qui travaille dur. Il va devoir vendre sa ferme pour pouvoir rembourser les producteurs et remplacer ces plantes. Son jeune fils qui devait se présenter en automne au Collège d'agriculture de l'Ontario devra remettre cela à plus tard pour manque de fonds. Je dirai donc que si cet homme doit rembourser tout cet argent, c'est en partie de la faute du gouvernement de l'Ontario et du gouvernement fédéral. Ce sont eux qui devraient payer pour...

Le président: Eh bien, monsieur, je pense que j'ai été assez tolérant pour vous permettre d'expliquer votre point de vue. Je ne pense pas que le comité veuille ici se poser en tribunal afin d'évaluer l'importance du tort causé et quelle compensation devrait être versée. Je pense que le comité ne va pas assumer ce genre de responsabilité et j'espère qu'il faudra maintenant donner la parole à d'autres personnes, afin d'étudier le crédit 5. Cette adjudication devrait être référée à un tribunal ou à d'autres endroits où des évaluations

[Text]

court of law, probably, or some other place where proper assessments and awards could be made. Is this fair?

Mr. Whicher: The only thing, Mr. Chairman,—

Mr. Danforth: May I speak to that?

The Chairman: I have two other questioners ahead of you, Mr. Danforth, and unless they agree to yield—

Mr. Danforth: Mine is not a question, Mr. Chairman, I would like to speak to this proposition that you have just given to the Committee.

Mr. Thomson (Battleford-Kindersley): Let Mr. Danforth have the floor.

The Chairman: I will recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, I am in sympathy with the presentation that has just been made and it does fall within the purview of the Research Branch. There is a dual responsibility here, I think, and there is also the proposition that although this gentleman is in a very precarious position now due to certain actions that have taken place, had these actions not taken place, this same gentleman because of his preferred position would be in a position to make a considerable profit on his undertaking. So we have both sides of the story.

May I suggest, Mr. Chairman, while I know that we cannot deal in depth with this problem this morning, if the Committee is agreeable, that we study in depth the present federal research program and the allied programs that we have with the universities and with the provincial governments because it is of major importance to all of us. I wonder, Mr. Chairman, if it is decided that we should do this study and in order to be fair to all parties concerned, could we be provided with a chart, which may be available already in the Department, of the actual construction of the Research Branch of the federal Department and its allied branches?

I am certain that many of us here are not aware of the tremendous programs that are being entertained and the responsibility that is being placed—it is major responsibility—on some individuals.

• 1010

I think the Committee will want to know whether we have a Research Branch that is large enough and has practical application

[Interpretation]

appropriées peuvent être faites. Cela est-il raisonnable?

M. Whicher: La seule chose, monsieur le président ...

M. Danforth: Puis-je parler à ce sujet?

Le président: J'ai deux autres personnes avant vous, monsieur Danforth, et à moins qu'ils ne soient disposés à vous laisser ...

M. Danforth: Ce n'est pas une question que je veux poser, monsieur le président, j'aimerais simplement parler au sujet de la proposition que vous venez de faire au comité.

M. Thomson (Battleford-Kindersley): Donnez la parole à M. Danforth.

Le président: Je le reconnais, monsieur Danforth.

M. Danforth: Monsieur le président, je suis d'accord avec la proposition qui vient d'être faite, et elle cadre avec la Direction des recherches. Il y a une double responsabilité, ici, bien que ce monsieur se trouve dans une situation très précaire à cause de certaines mesures prises. Mais, si ces mesures n'avaient pas été prises, sa position privilégiée lui aurait permis de faire de grands bénéfices.

Donc, nous avons les deux aspects de la médaille. Bien que nous ne puissions pas traiter à fond cette question ce matin, monsieur le président, j'aimerais, si le comité est d'accord, que nous étudions à fond la question de la recherche de l'actuel programme fédéral de recherche ainsi que le programme que nous avons avec les universités et les gouvernements provinciaux, parce que c'est une question d'importance majeure pour nous tous. Je me demande, monsieur le président, s'il est décidé que nous devrions entreprendre cette étude, et, pour être équitable envers toutes les parties, pourrions-nous obtenir une carte que le ministère pourrait avoir de l'édifice de la Direction des recherches actuellement en construction?

Je crois que beaucoup d'entre nous ne se rendent pas compte des programmes qui sont entrepris ainsi que les responsabilités de chacun.

Le comité voudra savoir si nous disposons en ce moment d'une Direction des recherches suffisamment grande et si cette Direction dis-

[Texte]

towards our agricultural problems today. I want to know if they are being restricted in any way from carrying on programs. I want to know whether sums of money are being spent for which we are not getting our fair market value and I think the fact that this problem was brought up this morning is an indication—this is just one problem; there are others that I could name—that we should, as a Committee, know exactly what this Research Branch is and how it functions.

This was my reason for wishing to speak to your proposition, Mr. Chairman. I do not want to see this passed over and I do not agree with you, Mr. Chairman, that it is strictly a legal matter. I think this is a matter concerning the operation of the Department and we should, if there has been some mistake or some responsibility, perhaps not be so concerned about the monetary redress, we should see if there are loopholes in our departmental operation that make such a thing possible. This is what we are interested in as a Committee.

Mr. Chairman, with these remarks I will pass and take my turn in questions which are not along this line. However, I think a situation such as this is too major to be allowed to pass. I think this does fall directly within the purview of our Committee investigation.

The Chairman: Mr. Lind?

Mr. Lind: Dr. Hunter, I cannot see how we do not have a responsibility. We expect the growers to be responsible for their stock, we expect the Ontario Department of Agriculture to be responsible for their stock and if we supplied the original stock, I think there is a responsibility here that rests with the federal Department. I do not think it is all right to say that because we are the Government of Canada we can shake off this responsibility. I think there is a definite responsibility by this Department to provide not only assistance, but some compensation. When the error about these plants was made at the top level.

I do not think it is fair at all. I think it would be much better if they came to an orderly settlement of this thing on the basis of the federal Department of Agriculture, the provincial Department of Agriculture and the grower, who in this matter has followed all of the instructions given to him by the Department. I think we do have a responsibility in this, Mr. Chairman. I think it is part of our job as members of Parliament to see that these things are carried through on a gentlemanly basis, rather than referring everything to the courts of the land.

[Interprétation]

pose de moyens pratiques pour traiter des problèmes de l'agriculture. J'aimerais savoir si quoi que ce soit les empêche d'entreprendre ces programmes. J'aimerais savoir si les fonds ne sont pas dépensés avec discernement et je pense que le fait que ce problème ait été mentionné ce matin, en est une indication. Ceci n'est qu'un problème. Ce que nous devrions savoir exactement en tant que comité, c'est ce que veut dire cette Direction des recherches et de quelle façon fonctionne-t-elle?

C'est la raison pour laquelle je voulais vous entretenir à ce sujet. Je ne veux pas qu'on néglige cette question et je ne suis pas d'accord avec vous, monsieur le président, lorsque vous dites que cette question est strictement juridique. Je pense que c'est une question concernant le fonctionnement du ministère et s'il y a eu des erreurs, nous ne devrions peut-être pas nous occuper tellement de l'indemnité monétaire, mais il faut voir s'il y a des erreurs dans nos ministères, dans notre ministère qui permet que de telles chose se passent.

Monsieur le président, je vais passer, maintenant, et je poserai mes questions à mon tour. C'est une question trop importante pour qu'on la laisse de côté, c'est quelque chose qui relève du mandat de notre Comité.

Le président: Monsieur Lind?

M. Lind: Monsieur Hunter, par votre intermédiaire, je ne vois pas pourquoi nous n'assumons pas de responsabilité. Le producteur doit être responsable de son stock, le ministère de l'Agriculture de l'Ontario doit être responsable de son stock et si nous donnons le stock d'origine, il y a une responsabilité qui incombe au ministère fédéral. Ce n'est pas parce que nous sommes du gouvernement du Canada que nous pouvons nous débarrasser de cette responsabilité. Le ministère doit non seulement donner de l'aide, mais des subventions lorsqu'une telle situation se présente.

Je pense que ce n'est pas du tout juste, lorsqu'on fait une erreur au sujet de ces plants, au plus haut niveau. Je crois qu'il vaut mieux que l'on en arrive à un règlement ordonné entre le ministère fédéral de l'Agriculture, le ministère provincial de l'Agriculture et le producteur qui a suivi toutes les instructions qui lui ont été données par le ministère. Nous avons une responsabilité dans ce domaine, monsieur le président. Ça fait partie de notre travail de député de voir à ce que ces choses se passent d'une façon équitable, plutôt que d'avoir à en référer aux tribunaux.

[Text]

The Chairman: I only wanted to suggest that I think the Committee is in its perfect right examining the operation of the Research Branch to see whether dollars paid by Canadian taxpayers are properly used, but I do not think it is the job of this Committee to assess the degree of injury or the extent to which an award should be made. Our job is to scrutinize the expenditure of money in research; that is our term of reference.

I quite agree with Mr. Danforth that we are at liberty to go into the whole operation of the Department. Dr. Woodward, the Assistant Deputy Minister of Research is here. He is prepared to make an opening statement concerning the operation of the Department. Would the Committee agree to hear Dr. Woodward at this time, and then we might go on with further questioning?

Mr. Lind: Mr. Chairman, I would like to hear Dr. Woodward's views on this particular case. I know Dr. Hunter has given his, but what has been the procedure in the past? If we cannot discuss it today, let us set a time for the next meeting of the Committee to go into this thoroughly because this is a very serious situation.

The Chairman: I am sure you would agree that Dr. Woodward should be able to select his remarks. If you feel at the conclusion of his remarks that you would like him to comment further on this particular situation, then I am sure you would be at liberty to ask questions, but in the meantime...

Mr. Whicher: May I ask a question first?

The Chairman: May I recognize Dr. Woodward first and then we will go on to questions.

• 1015

Mr. Whicher: I have only one supplementary remark because I brought this up. I agree that we cannot assess the amount of damages, if there were damages, but our job is to find out if a mistake has been made by the Research Branch because we are voting large sums of money here. Our job is to find out whether a mistake has been made, not the amount of the assessment, but yes or no.

The Chairman: I think that is a reasonable approach.

Mr. Whelan: May I ask you one question?

The Chairman: Privately?

[Interpretation]

Le président: Je voulais simplement dire que le Comité a le droit de voir comment fonctionne notre Direction de la recherche, si le dollar contribué par les contribuables canadiens est bien utilisé. Je crois que ce n'est pas au Comité d'évaluer le dommage et le montant de la compensation qui devrait être payé. Notre tâche, c'est d'étudier la question de l'argent qui est dépensé en recherches, c'est là notre mandat.

Je suis d'accord avec M. Danforth sur le fait que nous pouvons étudier l'ensemble du fonctionnement du ministère. M. Woodward, sous-ministre adjoint à la recherche, est ici. Il pourra faire un exposé préliminaire sur le fonctionnement du ministère. Je me demande si vous seriez prêts à écouter M. Woodward à ce stade-ci et ensuite nous reprendrons l'interrogatoire.

M. Lind: Monsieur le président, j'aimerais avoir le point de vue de M. Woodward sur ce cas. Je sais que M. Hunter a donné le sien, mais quelle procédure a-t-on suivie dans le passé? Si nous ne pouvons pas avoir un débat aujourd'hui, est-ce que l'on pourrait prévoir une période, lors de la prochaine séance du comité, pour étudier cette question à fond, car c'est une question extrêmement sérieuse?

Le président: Vous seriez d'accord, j'en suis sûr, que c'est à M. Woodward de choisir ce qu'il aura à dire. Si vous croyez, à la fin de ses remarques, qu'il devrait expliquer davantage cette situation, vous aurez alors toute latitude pour poser des questions, mais entre-temps...

M. Whicher: Puis-je poser une question d'abord?

Le président: Je vais d'abord donner la parole à M. Woodward, puis nous pourrions poser des questions.

M. Whicher: Je n'ai qu'une remarque supplémentaire, c'est moi qui ai soulevé cette question. Je suis d'accord que nous ne pouvons pas évaluer les dommages, s'il y en a eu, mais c'est à nous de voir si une erreur a été faite par la Direction de la recherche, parce que nous votons ici de fortes sommes d'argent, et nous devons nous assurer s'il y a eu, oui ou non, une erreur, et non pas vérifier le montant de l'évaluation.

Le président: Je crois que c'est une façon raisonnable de voir les choses.

M. Whelan: Puis-je vous poser une question?

Le président: En privé?

[Texte]

Mr. Whelan: No. You stated that you thought it was a legal problem and should be settled through the courts. I think this is wrong and I want your opinion on whether you think I am right. I think it is only too often that the government forces people. If this man is forced to go to court—from what Mr. Whicher says he is in no position to go to court—he may have to apply for legal aid and I do not think we, as a government, should force people into such action. It seems plain here, unless something else is brought out by Dr. Woodward, that the government made a mistake.

The Chairman: We are prejudging the situation. I do not think the Committee has had an opportunity to decide whether or not a mistake was made. Until that has been decided, I do not think we are in a position to make any assessment whatever. I am only saying that in the event compensation is to be granted, then it is not our responsibility to decide how much or how little or anything else. May I recognize Dr. Woodward?

Mr. Southam: On a point of order, Mr. Chairman. I think you have put the situation very well with the exception that we, as a Committee, want to hear the facts so that we will be in a position to make a judgment on whether there has been an error here, or whether there has been an injury done. This is all the Committee is asking the privilege of doing. After we have heard all the evidence, then we will make the determination.

The Chairman: I am asking the tolerance of the Committee to recognize Dr. Woodward so he may do that. Dr. Woodward?

Dr. Woodward: I would like just to say that there has been an indication that there may have been negligence on the part of your servants and I want you to know that we make every effort to close the gap between knowledge and practice as quickly as we can. In this particular instance, I do not consider that any members of my staff were negligent. Now, this has nothing to do with the responsibility. I would like you to know however that these plants were obtained for our virus indexing program from a nursery; they were labelled "Latham", our plant pathologist heat treated these plants and indexed them to determine that there were viruses in them. He indexed by indexing, then he heat treated them to produce virus-free stock.

I want you to know that we had a very, very successful experience in producing and in aiding the provinces to distribute virus-free strawberry stock. We immediately got into a raspberry program in this area and I

[Interprétation]

M. Whelan: Non. Vous avez dit qu'il s'agit d'un problème juridique à régler par les tribunaux. Je crois que c'est faux, et je veux savoir si j'ai raison. Je trouve que le gouvernement force trop souvent les gens. Si quelqu'un doit se présenter devant le tribunal et qu'il n'est pas en mesure de le faire, il peut bien faire une demande d'assistance juridique. Mais je crois que le gouvernement ne doit pas forcer les gens à s'adresser aux tribunaux. Il semble donc évident, à moins que M. Woodward puisse indiquer d'autres éléments, que le gouvernement a fait une erreur.

Le président: Nous préjugeons de la question. Je ne pense pas que le Comité ait la possibilité de décider si une erreur a été faite ou non. Avant que cela ait été décidé, je ne crois pas que nous soyons en mesure d'évaluer la situation. Et si on doit accorder une compensation, ce n'est pas à nous de décider combien. Je donne la parole à M. Woodward.

M. Southam: J'en appelle au Règlement, monsieur le président. Vous avez bien résumé la situation, sauf que nous voulons entendre les faits; à ce moment-là, on pourra juger s'il y a eu erreur, ou non, ou s'il y a eu des dommages. C'est tout ce que nous demandons. Après avoir entendu tous les témoignages, nous pourrions prendre une décision.

Le président: Est-ce qu'on veut bien donner la parole à M. Woodward?

M. Woodward: Monsieur le président, j'aimerais dire qu'il y a un indice comme quoi il y a eu négligence de la part de vos fonctionnaires. J'aimerais que vous sachiez que nous faisons tous les efforts pour combler l'écart qui existe entre la connaissance et la pratique, aussi rapidement que possible. Mais dans ce cas particulier, je ne pense pas que les membres de mon personnel ont été négligents. Mais cela n'a rien à voir avec la responsabilité. J'aimerais que vous sachiez qu'on a obtenu ces plants d'une pépinière pour notre programme de classification des virus; on les a étiquetés «Latham», notre pathologiste a traité ces plants et les a classés pour déterminer s'il y avait des virus. Il les a classés, puis il les a traités à la chaleur pour avoir un stock sans virus.

J'aimerais que vous sachiez que nous avons eu des expériences très réussies en aidant les provinces à distribuer des stocks de fraises sans virus. Nous avons abordé un problème de framboises dans cette région et, très fran-

[Text]

admit, quite frankly, that we had no experience with the virus-infected and virus-free stock of the same variety or how freeing the variety from viruses might change its appearance. So as far as our pathologist was concerned, he was involved in taking a variety which was labelled Latham, indexing it and ensuring that it was free from viruses before he released it to the Ontario Department of Agriculture and Food.

I just make this statement in case you may feel there has been negligence on the part of one of your servants.

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Now, if I may, Mr. Chairman, I know that the Honourable Mr. Olson wishes me to express his regrets at not being here today. As you may know, he and my Deputy, Mr. Williams, are in British Columbia on government business. Also, Dr. Migicovsky, the Director General of the Research Branch, is on government business in Quebec City. However, I assure you that the Branch is well represented by Dr. Rasmussen, Dr. Ludwig and Dr. Hunter.

When Mr. Olson introduced our 1969-70 Estimates he explained that the elements of expenditure are shown by the customary standard objects in the Blue Book and that the additional White Book presents estimates by activities within programs as well as by standard objects.

Your Chairman has indicated that the Research Branch estimates include Votes 5, 10 and 12, and these are found on pages 14 and 15 of the Blue Book, and on pages 14 to 19 in the White Book. These three votes are summarized by activities on pages 16 and 17 of the White Book and they occur side by side across the top of the page and are totalled under total budgetary expenditures on the right.

You will note that the proposed total estimates for 1969-70 amount to \$45,743,000, some \$90,000 less than the forecast expenditure for 1967-69.

My best information is that it is necessary to increase financial support by from 10 to 12 per cent per annum in order to maintain the established level of activity. I know you will bear this in mind as you question us on our proposed program and it is reflected on page 18 in the White Book in the table "Details of manpower allocation and utilization" where we show a decrease of 317 man years in our total authorized for 1969-70.

In spite of this curtailment of resources we are proposing some strengthening of our

[Interpretation]

chement, nous admettons que nous n'avons pas pu voir comment le stock à virus et le stock sans virus pouvait agir. Et le fait d'enlever les virus, cela modifiait l'aspect de la plante; donc on a pris une variété qui s'appelait les «Latham», on l'a classée, et on s'est assuré qu'il n'y avait pas de virus avant de la donner au ministère de l'Agriculture de l'Ontario.

Je dis simplement cela au cas où vous pourriez penser qu'il y a eu négligence de la part de l'un de vos fonctionnaires.

Si vous permettez, monsieur le président, le ministre m'a prié de vous dire qu'il regrette de ne pas être ici. Comme vous le savez, il se trouve en Colombie-Britannique, avec mon adjoint, M. Williams, pour les affaires du gouvernement. De même, M. Migicovsky, directeur général de la Direction de la recherche se trouve à Québec. Je peux vous assurer que la Direction est bien représentée par MM. Rasmussen, Ludwig et Hunter. Lorsque l'honorable ministre a présenté les prévisions 1969-1970, il a indiqué les articles courant dans le Livre bleu et le Livre blanc indique les prévisions par activité dans le cadre des programmes et aussi par articles courants. Le président a indiqué que les crédits 5, 10 et 12 du département de recherches aux pages 14 et 15 dans le Livre bleu, et aux pages 14 à 19 dans le Livre blanc. Ces trois crédits sont résumés par secteurs d'activités aux pages 16 et 17 du Livre blanc.

Vous remarquerez que le total des prévisions pour 1969-1970 représente un montant global de \$45,743,000 soit environ \$90,000 en moins que ce qui avait été prévu pour 1968-1969.

Au mieux de mes connaissances, je pense qu'il faut augmenter le support financier de 10 à 12 p. 100 par année pour maintenir le niveau d'activités. Je pense que vous aurez ceci à l'esprit lorsque vous poserez des questions sur notre programme. A la page 18 du Livre blanc, dans le tableau intitulé «Répartition et utilisation de la main-d'œuvre» se reflètent les diminutions de la main-d'œuvre, 317 années-hommes de moins que le total autorisé pour 1969-1970.

En dépit de ces coupures dans les ressources, nous nous proposons de renforcer quel-

[Texte]

activities relating particularly to cereals, to agricultural engineering and to pollution. This will be achieved, of course, by some curtailment of other activities and it will be principally in the field of horticulture and of entomology.

The Chairman: Thank you, Dr. Woodward. I would recognize Mr. Lessard.

M. Lessard (Lac-Saint-Jean): Monsieur le président, ce qui m'intéresse particulièrement, c'est la ferme expérimentale que nous avons dans la région du Lac Saint-Jean, à Normandin.

J'ai eu l'occasion de discuter avec les organisations agricoles de ma région. Malheureusement, dû à un manque de communication, à un manque d'information ou à un manque d'activité réellement importante dans cette ferme, il semble qu'elle ne rende pas les services qu'elle pourrait rendre à la région. C'est la seule ferme expérimentale dans la région du Saguenay-Lac-Saint-Jean. Si le gouvernement y ajoutait du personnel, y conduisait des expériences sur l'adaptation de certains grains au climat de la région et sur les animaux, cette ferme pourrait certainement rendre de très grands services aux cultivateurs de ma région.

Je demande donc aux représentants du ministère, de me dire ce qu'ils pensent faire au cours de l'année financière qui va débiter le 1^{er} avril, pour améliorer la situation de cette ferme qui, en somme, a été pratiquement abandonnée. Des six ou sept employés qu'il y avait, il y a quelques années, on me dit qu'actuellement il n'en reste que deux, dont un n'est pas en très bonne condition physique.

Il est urgent, monsieur le président, pour le gouvernement de considérer que dans cette région, il y a des fermiers qui ont besoin d'assistance et de direction. Si, dans cette région, on ne joue pas notre rôle en tant que gouvernement fédéral, d'autres vont le faire. A ce moment-là, ce sera une raison de plus pour les gens du Québec de dire: «Ottawa c'est pas bon; il ne nous donne rien. On paie des impôts, mais en somme, Ottawa ne nous donne pas de services».

Il y a tellement peu d'occasions, tellement peu d'endroits où on peut réellement aider les gens. Pourquoi n'agit-on pas pleinement au moins là où on a de l'autorité? C'est ce que je demande encore une fois. Je l'ai demandé l'automne dernier et je le demande instamment aujourd'hui. Qu'avons-nous l'intention de faire à cette ferme de Normandin?

Dr. Woodward: Mr. Chairman, Dr. Migicovsky is in Quebec City today reviewing and

[Interprétation]

que peu nos activités particulièrement en ce qui concerne les céréales, le matériel agricole et la pollution. Ceci sera accompli, bien sûr, en réduisant quelque peu certaines activités, ce qui se fera principalement sentir dans le domaine de l'horticulture et l'entomologie.

Le président: Merci, monsieur Woodward. Je passe maintenant la parole à M. Lessard.

Mr. Lessard (Lac-Saint-Jean): Mr. Chairman, I am particularly interested in the experimental farm that we have in the Lac Saint-Jean region, at Normandin.

I have discussed with the agricultural organizations we have in my region and unfortunately, it seems that through a lack of communication of information or of really important activity at this experimental farm, it seems that it does not render service as it should to the region. This is the only experimental farm we have in the Saguenay-Lac-Saint-Jean district. If the government added staff and carried out experiments at that station for the adaptation of certain types of grain to the climate of the region, if they carried out experiments on animals, this farm could certainly render very great service to the farmers in my region.

Therefore, I would like the departmental representatives to tell me what they envisage doing during the fiscal year starting April 1, to improve the situation of this farm which has been for all practical purposes abandoned. Of the six or seven persons who were there a few years ago, I am told that there are only two left one of whom is not in very good physical shape.

Mr. Chairman, it is urgent for the government to consider that in that region there are farmers who need assistance and direction. If we do not play our role as a federal government in that area, others will do it and this will be another reason for Quebeckers to say: "Ottawa does not do us any good. We are paying taxes but we do not get any service from Ottawa."

There are so very few opportunities, so very few instances where we can help people. Why do we not go all out when acting, at least there where we are fully entitled to do so? I asked this last fall and I am asking this again now. What are we going to do at the Normandin experimental farm?

M. Woodward: Monsieur le président, le docteur Migicovsky se trouve à Québec,

[Text]

planning a program for the eastern part of Quebec. As you know and as you will see in these Estimates, we have made a start on a major research centre for eastern Quebec where we have turned the sod for a building valued at approximately \$3 million and we have appointed a senior director for eastern Quebec, and the organization for that area includes the resources at this laboratory plus at our research station, which is on the Laval campus, plus our experimental farm at Normandin and our experimental farms at La Pocatière and at Caplan.

We are in the process of appointing a new superintendent at Normandin because unfortunately after a period of illness our former superintendent passed away. Our proposal for 1969-70 is that we will be able to expend approximately \$198,000 at Normandin.

The Chairman: Are there further questions? I recognize Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, let me say at the outset that Mr. Whicher, as a very excellent prosecuting attorney, had me judging the government guilty before I had even heard the defence. But I think a better approach to the solution might be to consider Mr. Danforth's idea in this respect as to how we might deal with the question.

Mr. Chairman, the only reason I am raising this question is that we have here today the Director General of the Finance branch and this has to do with the reorganization of the government and it affects the research branch as well as any other. As I understand the reorganization, the Finance department will no longer run a pre-audit of the various departments.

Does this mean that you will have to hire additional help in the research or any other section of the Department of Agriculture to make sure that you are within the bounds of any legislation that might be considered in this respect?

The Chairman: Mr. Grier.

Mr. Grier: Mr. Chairman, this question relates to the amendments of the Financial Administration Act which will place pre-audit and commitment control responsibility within the departments rather than in the Comptroller's office. The amendments have not been passed but we are considering the impact of the change in terms of our staffing requirements within all of the branches of the Department of Agriculture, and I am sure all other departments are making the same assessments.

I would assume that there would likely be transfers of staff from the Comptroller's office

[Interpretation]

aujourd'hui, pour examiner un programme pour l'Est du Québec.

Comme vous le savez, comme vous verrez dans ces prévisions, nous avons posé la première pierre d'un Centre de recherche pour l'Est du Canada où nous allons construire un édifice de \$3 millions. Nous avons nommé des directeurs pour l'Est du Québec. L'organisation comprend les recherches, les laboratoires, au campus de l'Université Laval, plus la ferme expérimentale de Normandin, les fermes expérimentales de La Pocatière et de Caplan.

Nous sommes en train de nommer un nouveau surintendant à Normandin, après le décès de notre ancien surintendant, à la suite d'une longue maladie.

Nos propositions pour 1969-1970, envisagent des dépenses de \$198,000 à Normandin.

Le président: D'autres questions? Monsieur Thomson.

M. Thomson (Battleford-Kindersley): Je pensais que le gouvernement était coupable, après avoir entendu M. Whicher, un excellent procureur, même sans avoir entendu la défense. Mais je crois qu'une meilleure façon d'aborder la solution, serait d'envisager la solution de M. Danforth dans ce domaine, pour traiter de la question.

La seule raison pour laquelle je pose cette question, c'est parce que nous avons aujourd'hui avec nous le directeur général de la division des finances. Et cette question a trait à la réorganisation du gouvernement et ses incidences sur la section des recherches. Si je comprends bien, d'après la nouvelle organisation, la section des finances ne fera pas la vérification des comptes.

Est-ce que cela veut dire qu'il vous faut de l'aide supplémentaire? Je suis assuré que vous vous trouvez dans la limite de la législation.

Le président: Monsieur Grier.

M. Grier: Les travaux de vérification se feront à l'intérieur du ministère, plutôt qu'au bureau du contrôleur. Les amendements n'ont pas encore été votés, mais nous envisageons l'incidence de cette nouvelle réglementation concernant le personnel supplémentaire qu'il nous faudra.

Je suppose qu'il y aura des transferts de personnel à partir du bureau du contrôleur

[Texte]

to the departments in order that this function would transfer into the various departments.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I would take it then that in your case, if you were in charge of this, you would probably request additional help.

Mr. Grier: No additional help has been requested at the moment. That is to say, the 1969-70 Estimates do not reflect any change in organization to respond to the anticipated change in the Financial Administration Act.

Mr. Thomson (Battleford-Kindersley): I understood Mr. Drury to say that they hoped to have this passed by the end of March so that you could start the new year under this new Act.

Mr. Grier: That is correct. The prospect is that the Comptroller's office will continue to carry the function until departments have either re-organized to provide the staff or have transferred staff from the Comptroller's office, if that is the solution to the question.

Mr. Thomson (Battleford-Kindersley): Thank you.

The Chairman: Thank you, Mr. Thomson. I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, as I am very interested in dealing in depth with the Research Branch at this time could there be made available to each member of the Standing Committee some sort of a graph which would indicate the actual physical structure of the Research Branch? Many of us are perhaps not aware of its relation to experiments carried on at the university level, its relation to experiments which may be carried on at a private level, its tie-in with private laboratories and its affiliation with the provincial governments.

I am also very interested in knowing in detail the degree to which our Canadian Department of Agriculture is carrying on allied research with all other international organizations of the world and the degree to which there is an exchange of information, in order that we may assess whether there is in our department a duplication of programs carried on to the *nth* degree in other countries.

I appreciate that perhaps this information could not be made available right now, unless there is in the Research Branch libraries such a graph already prepared. Could this information be made available to the members?

[Interprétation]

aux différents ministères ou qui seront affectés aux différents ministères.

M. Thomson (Battleford-Kindersley): Donc, dans votre cas, si dans votre cas vous êtes responsables de cela, vous demanderiez de l'aide supplémentaire?

M. Grier: On l'a déjà demandé mais les prévisions de 1969, 1970 ne traduisent aucun changement d'organisation correspondant au changement anticipé dans la loi sur l'administration financière.

M. Thomson (Battleford-Kindersley): Mais j'ai entendu M. Drury dire qu'il espérait que ceci serait adopté à la fin de mars, afin que l'année nouvelle puisse commencer avec cette nouvelle loi.

M. Grier: C'est exact. Nous nous attendons à ce que le bureau du Contrôleur poursuive ses fonctions jusqu'à ce que les ministères se soient réorganisés pour fournir le personnel ou avoir du personnel qui aurait été transféré du bureau du Contrôleur, si cela doit être la solution à apporter à ce problème.

M. Thomson (Battleford-Kindersley): Merci.

Le président: Merci, monsieur Thomson. M. Danforth a la parole.

M. Danforth: Monsieur le président, je suis très intéressé à travailler en profondeur avec la Direction de la recherche en ce moment et pourrait-on mettre à la disposition de chaque membre du comité permanent une sorte d'organigramme représentant la structure matérielle de la Direction de la recherche. Je pense que beaucoup d'entre nous ne se rendent pas compte des expériences qui se font au niveau de l'université, leur relation avec les travaux qui peuvent être accomplis à titre privé, leur rapport avec les laboratoires privés et leur affiliation à des gouvernements provinciaux.

Je suis également très intéressé à savoir dans quelle mesure notre ministère de l'Agriculture entreprend de la recherche avec les autres organisations internationales du monde et s'il y a un échange de renseignements nous permettant de savoir s'il y a au sein de notre ministère une répétition de programmes qui seraient exécutés à un stade très avancé dans d'autres pays.

Je crois que peut-être ces renseignements pourraient nous être communiqués immédiatement, à moins qu'il ne se trouve à la bibliothèque de la Direction de la recherche un tableau du genre qui serait déjà préparé. Ces renseignements pourraient-ils être mis à la disposition des membres?

[Text]

Dr. Woodward: Mr. Chairman, this information would be very complex in graph form. I do agree that it is a very, very important area but it is an area that we covered very thoroughly in our 200 and more page submission to the Lamontagne Senate Committee on Science policy. I suggest, sir, that we could make copies of this report, if you have not already received them, available to you. This printed report has a section that deals with our international commitments and relationships with FAO and OECD. It explains in great detail the operation of our Canadian Agricultural Services Co-ordinating Committee, the research section of that committee, and the sort of communication, collaboration and cooperation that goes on between the Research Branch and the universities. I believe, sir, that this report would serve to supply the sort of information in some detail—in about 200 pages—that Mr. Danforth would like to study.

Mr. Danforth: Mr. Chairman, in listening to the explanation I feel that perhaps this would be far more valuable to us than the graph that I have suggested.

I would like to know if this also contains the actual operational chain of direction right from the top level down to the various segments of the research Branch.

I think I speak for all the members here, Mr. Chairman, when I say that we are all aware of the many complex problems that are facing agriculture which are in need of direct research, new varieties, and I do not need to go into it in detail. But I think we are all interested in knowing how priorities are arrived at in respect of the various major problems that research is directed to, how these programs are enlarged and developed, what access the private agriculture sector has to the promotion of such research, and how this information is disseminated after it is available in the various departments. Through no fault of government perhaps, but there seems in many instances to be a major lack of communication. Personally I have found dust collecting on reports that have been made available to agriculture—not at the government level where the work was done but out at the extension service. It was available and nobody picked it up. I am just wondering if this report that has been referred to does contain this type of information.

Dr. Woodward: Yes, sir.

Mr. Danforth: It does deal with this.

[Interpretation]

M. Woodward: Ces renseignements seraient très complexes sous forme de graphique. Je suis d'accord avec vous que c'est très important. C'est un domaine que nous avons traité avec soin dans notre rapport de plus de 200 pages au Comité du Sénat sur les sciences et nous pourrions reproduire des exemplaires de ce rapport pour les mettre à votre disposition si vous ne l'avez pas déjà reçu. C'est un rapport imprimé. Il y a une section qui traite de nos engagements internationaux nos rapports avec la F.A.O. et O.A.C.D. qui explique en détail le fonctionnement de notre comité de co-ordination, la section de la recherche de ce comité et la nature des communications, de la collaboration et de la coopération échangées entre la Direction de la recherche et les universités. Je pense que ce rapport pourrait fournir les renseignements désirés et couvrirait environ 200 pages: les renseignements que Monsieur Danforth voudrait étudier.

M. Danforth: Monsieur le président, en écoutant ces explications, cela serait probablement plus utile que le graphique que j'avais suggéré. J'aimerais savoir si ce document contient aussi la hiérarchie administrative depuis le niveau supérieur jusqu'aux différents paliers de la recherche.

Je parle au nom de tous les députés en disant que nous nous rendons compte qu'il y a bien des problèmes complexes qui se posent dans le domaine de l'agriculture qui a besoin d'une recherche directe, et de programmes variés et nouveaux. Il ne serait pas utile que j'entre dans les détails. Je pense, toutefois, que nous sommes tous intéressés à savoir comment sont établis les priorités relativement aux divers problèmes majeurs vers lesquels s'oriente la recherche, comment ces programmes sont-ils élargis et comment ils progressent, de quel accès dispose l'agriculture privée à cette recherche et comment se fait la diffusion de ces renseignements après qu'ils ont été mis à la disposition des divers ministères? Sans que le gouvernement soit en faute, il semble peut-être y avoir dans de nombreux cas un important manque de communications. Personnellement j'ai vu la poussière s'amasser sur des rapports qui avaient été mis à la disposition de l'agriculture, non pas au niveau du gouvernement, où on s'était acquitté du Travail, mais dans le service de diffusion. La documentation était là mais personne ne s'en occupait. Je me demande si ce genre de rapport dont il a été question renferme ces renseignements.

M. Woodward: Oui, monsieur.

M. Danforth: Il en parle?

[Texte]

Dr. Woodward: Yes, and it is a problem of narrowing the gap as much as possible between knowledge and practice and this very complicated link of communication.

Mr. Danforth: Mr. Chairman, I do not wish a reproduction of this document if it can be provided in its original form. Would there be extra copies available for the Committees?

Dr. Woodward: Yes, sir.

Mr. Danforth: I am sure Committee members would be prepared to accept copies as they are rather than have the further work of reproduction of particular sections of it.

The Chairman: Is it the wish of the Committee that these reports be made available to members of the Committee.

Some hon. Members: Agreed.

Mr. Whelan: Can I ask a question about the report, sir.

The Chairman: Yes, Mr. Whelan.

Mr. Whelan: How many pages make up the report that you presented to the Senate Committee on Science Policy?

Dr. Woodward: Well, sir, it is about three-quarters of an inch thick, but it has the evidence as well as the report. I would say the report was about 200 typewritten pages. I cannot tell you exactly how many printed pages that would be. It is in quite a readable form now and there are organizational charts reproduced in this report.

Mr. Whelan: The reason I asked that question, Mr. Chairman, is that I saw the one that was presented to the Senate Committee by the Fisheries Department and I never saw such an elaborate report as that one. It was stacked away in a great big room over in the Senate Chamber.

The Chairman: Thank you, Mr. Whelan.

Mr. Danforth: If I may be allowed perhaps one or two more questions, Mr. Chairman, then I will pass if I am allowed to come back.

Dr. Woodward said that there should be a normal increase in expenditures in the Research Branch—around ten per cent a year. I think he used the words “just to maintain”; this was not for expansion. Can we have an explanation why it would be necessary to increase ten per cent just to maintain? We have our own ideas but I would like to have it from the official source.

[Interprétation]

M. Woodward: Oui, et c'est une question de combler le plus possible le fossé entre la connaissance théorique et la pratique et cet écart très complexe dans les communications.

M. Danforth: Monsieur le président, je ne voudrais pas que l'on reproduise ce document s'il existe dans sa forme originale. Est-ce qu'on pourrait avoir des exemplaires supplémentaires pour le Comité.

M. Woodward: Oui.

M. Danforth: Je suis certain que les membres du Comité sont disposés à accepter les exemplaires comme ils sont plutôt que d'avoir à en faire reproduire certains chapitres en particulier.

Le président: Le Comité désire-t-il que ces rapports soient mis à la disposition des membres du Comité?

Des voix: Accepté.

M. Whelan: Je voudrais avoir un renseignement au sujet du rapport.

Le président: Oui, M. Whelan.

M. Whelan: De combien de pages se compose le rapport que vous avez présenté au Comité du Sénat sur l'application des sciences?

M. Woodward: C'est environ $\frac{3}{4}$ de pouce d'épaisseur, mais il y a le rapport et le témoignage. Le rapport représente 200 pages dactylographiées, je ne sais pas combien de pages imprimées. On peut le lire facilement sous sa forme actuelle et il y a des reproductions d'organigrammes dans le rapport.

M. Whelan: J'ai posé cette question parce que j'ai vu celui que le ministère des Pêcheries a présenté au Comité du Sénat et je n'avais jamais vu un rapport aussi élaboré que celui-là. Il était empilé dans une très vaste pièce au-dessus de la Chambre du Sénat.

Le président: Merci M. Whelan.

M. Danforth: Si vous me permettez une ou deux questions, je donnerai la parole ensuite aux autres membres avant de revenir à des questions. Monsieur Woodward a dit qu'il y a ou devrait y avoir une augmentation normale des dépenses de l'ordre de 10 p. 100 par an. Je pense qu'il a utilisé les mots: «seulement pour nous maintenir»; il ne parlait pas d'expansion. Est-ce qu'on pourrait nous expliquer pourquoi nous aurions besoin d'une augmentation de 10 p. 100, seulement pour nous maintenir? Nous avons nos idées personnelles, mais nous aimerions avoir une explication d'une source autorisée.

[Text]

Dr. Woodward: Mr. Chairman, I quoted this figure of ten to twelve per cent to maintain the level of activity. I based this on a guideline from the Treasury Board which indicated that we should increase our support to the universities by twelve per cent in order that they could maintain the level of activities. This would not represent an increase in support of activities.

I base it on data that has come out of studies in the United States. I base it on discussions that I have had with the directors of other research organizations and it involves the factors of the tremendous change in salary structures. It involves the great increase in sophistication of equipment. It involves the increased costs in construction and in almost all areas where we operate.

For example, in our operation and maintenance budget on both sides, about 80 per cent of this is salaries and wages, and we all know what is happening in this field. We have in our nonsalary operation and maintenance a number of items where we are contracting janitorial services and security work where the same increase has occurred in the actual cost of maintaining and has continued to increase annually. I did say that to the best of my information this is the increase and I feel that there is considerable evidence for this statement. And I made this statement, Mr. Chairman, just to put our discussions in the right perspective of what we could hope to achieve in 1969-70.

The Chairman: Thank you, Dr. Woodward.

Mr. Danforth: Mr. Chairman, I have just one more question right along this line. I am prepared to accept the statement that has been made, but in looking at the estimates I find that the proposed estimates for 1969-70 are less—quite considerably less than 10 per cent. Certainly I do not want to embarrass the witness in any respect, but would I be fair in assuming that since this increase has been less than portrayed by Dr. Woodward—actually there is very little of this increase that we see before us devoted to actual expansion of service—the major portion would be for increased salaries, increased administration costs and the actual increase in the costs of new facilities, rather than an increase in the actual program itself? Would that be a fair assessment?

Dr. Woodward: Yes, sir, that is a fair assessment, remembering that our program is under continuing review—and this will be described in this Senate document to which I have referred—and that with our continuing review there is almost a continual re-alloca-

[Interpretation]

M. Woodward: Eh bien, j'ai cité ces chiffres de 10 à 12 p. 100 pour maintenir le niveau d'activité. J'ai basé cette affirmation sur les directives du Conseil du Trésor qui a indiqué que nous devrions augmenter notre appui aux universités de 12 p. 100 afin qu'elles puissent maintenir le niveau de leurs activités. Ceci ne représenterait pas une augmentation de l'appui aux universités. Je me fonde sur des discussions avec les directeurs d'autres organismes de recherches; cela comporte des changements énormes des structures salariales, un perfectionnement considérable de l'équipement, des coûts plus élevés de construction et de presque tous les secteurs où nous intervenons.

Dans notre budget de l'entretien et de l'exploitation, par exemple, 80 p. 100 est consacré aux salaires, et nous savons tous ce qui se passe dans ce secteur. Certains de nos frais d'exploitation et d'entretien non salariaux relatifs aux services de concierge et de gardiens ont subi une augmentation égale au coût d'entretien et continuent d'augmenter. Je dis que, au mieux de ma connaissance, c'est l'augmentation qui a eu lieu et je crois que je peux prouver cette déclaration. Je l'ai fait, monsieur le président, pour mettre nos discussions dans la bonne perspective, quant aux réalisations espérées pour 1969-1970.

Le président: Merci, monsieur Woodward.

M. Danforth: Une autre question, monsieur le président. Je suis prêt à accepter ce que vous avez dit mais en regardant le budget, on s'aperçoit que l'augmentation est bien inférieure à 10 p. 100. Je ne veux absolument pas gêner le témoin mais est-ce que vous pensez qu'il est juste de considérer que étant donné que l'augmentation a été inférieure à celle envisagée par monsieur Woodward, il y a en fait une très faible partie de cette augmentation qui est due à l'expansion des services, la plus grande partie serait plutôt consacrée aux augmentations de salaire, des frais administratifs et du coût des nouvelles installations, plutôt qu'une augmentation du programme. Est-ce que vous pensez que c'est une description exacte de la réalité?

M. Woodward: Oui, c'est exact, à la condition que l'on sache que le programme est continuellement révisé, ce qui est expliqué dans le document du Sénat dont je parlais, accompagné d'une réallocation presque continue des ressources. Il y aura des change-

[Texte]

tion of resources. There will be changes in program, but the total level of activities will be shrunk.

The Chairman: Thank you, Mr. Danforth.

Mr. Danforth: If I may come back, I will pass, Mr. Chairman.

The Chairman: I recognize Mr. Smerchanski.

• 1045

Mr. Smerchanski: Mr. Chairman, under Vote 5 in particular, on casual observation it would appear that some of these things are out of balance and no doubt there is an explanation for it. In particular on page 14 from 1968 to 1969 there appears to be an increase in part-time, seasonal and casual of some \$699,660. On page 15 under the same section the utilities, materials and supplies are increased by only \$84,900, which would mean that the supplies and materials are increased by some 2 per cent, whereas the dollar value on the part-time, seasonal and casual has increased some 40 per cent.

Also if you take the actual increase of expenditure as against the reduction of man years, this is an average of some 100 per cent increase. This hardly appears to be in line with a 10 per cent annual increase, Mr. Chairman, and I am sure there is an explanation for it. I just took out that one particular item as a check and I am sure there is an explanation and I would like to have it, please.

The Chairman: Dr. Woodward.

Dr. Woodward: Mr. Chairman, this comes back to the answer that I gave to Mr. Danforth, that with the implementation of collective bargaining and with the closing of the gap in the lack of compensation for government employees as compared to employees in the field this situation occurs.

We have gone through the operation of converting our staff to new classes as established by the Bureau of Classification Division of the Treasury Board and what we are seeing here is the impact on our program of this, if you like, and of the distribution of the moneys that are available in our estimates.

Mr. Smerchanski: Mr. Chairman, I accept that explanation, but quite honestly if you average the 1968-69, the average is some \$2,000 per part-time, seasonal and casual employee, as against an average of \$4,100 for the year 1969-70. There must be some other reason or explanation why there is a 100 per cent increase besides taking into consideration the reclassification and anything else that might have taken place.

[Interprétation]

ments au programme, mais le niveau total d'activité sera réduit.

Le président: Merci, Monsieur Danforth.

M. Danforth: Je reviendrai plus tard, si vous le permettez, monsieur le président.

Le président: M. Smerchanski.

M. Smerchanski: Monsieur le président, j'aimerais jeter un coup d'œil au crédit 5; il semble qu'il y a des déséquilibres qui s'expliquent certainement. Notamment à la page 14 entre 1968 et 1969 il semble y avoir une augmentation pour les employés à temps partiel, saisonniers et occasionnels de l'ordre de \$699,660. A la page 15, sous la même rubrique, les services d'utilité publique, fournitures et approvisionnements ne sont augmentés que de \$84,900, ce qui représente une augmentation de seulement 2 p. 100 alors que la valeur en dollars des employés à temps partiel, saisonniers et occasionnels a augmenté d'environ 40 p. 100.

Ensuite, si vous tenez compte de l'augmentation des dépenses par rapport à la baisse du nombre d'hommes-années, c'est une augmentation moyenne de 100 p. 100. C'est loin d'une augmentation de 10 p. 100 et je suis certain qu'on peut l'expliquer. J'ai simplement soulevé ce point particulier pour vérifier, mais s'il y a une explication, comme je le crois, j'aimerais la connaître.

Le président: Monsieur Woodward.

M. Woodward: Je reviens à la réponse donnée à M. Danforth, que la mise en œuvre de la négociation collective et le désir d'éliminer l'écart entre la rétribution des fonctionnaires par rapport aux employés de l'entreprise privée ont créé cette situation.

Nous avons dû reclassifier notre personnel selon des catégories établies par la section de la classification du Conseil du Trésor. Nous en avons donc les effets sur notre programme. Il ne faut pas négliger, par ailleurs, l'incidence de l'affectation des crédits accordés dans le budget.

M. Smerchanski: Monsieur le président, j'accepte cette explication, mais très honnêtement si vous faites la moyenne de 1968-1969 vous voyez qu'elle est de \$2,000 en moyenne pour les employés à temps partiel, saisonniers et occasionnels, contre \$4,100 pour 1969-1970. Il y a peut-être une explication pour cette augmentation de 100 p. 100 en dehors des questions de classification ou autres qui ont eu lieu.

[Text]

Dr. Woodward: Mr. Chairman, I would like to ask Mr. Grier or Mr. Costley if they could give a better explanation of this than I can. Mr. Grier, can you answer?

Mr. Grier: I do not think I can give a precise explanation in detail, Mr. Chairman, other than to demonstrate how the total salaries and wages item in the Research Branch has built up and to indicate the factors which have contributed to the increase in 1969-70.

There are a number of factors but the principal one is the effect of collective bargaining on the general labour and trades contract which increases the base level for 1969-70 by \$1,440,000. We have costing factors for the heating, power and stationary engineers group for research scientists. These factors have been used to build up the estimates for 1969-70 and also to make provision in 1969-70 for agreements that are not yet settled.

• 1050

The principle here is that for agreements that are reached in the old year, the Department is responsible for the effect or the increase in salaries falling in the new year, whereas the Treasury Board's vote in general salaries provides the sums required for retroactive settlements and agreements that are reached in a current year.

The factors used in estimating salaries for the forthcoming year are, starting with the base salary in the old year, adding 3 per cent for general salary revisions, 1.5 per cent for promotions, reclassifications and annual increases and 6 per cent for group bargaining which is not yet settled, so that the estimates are based on anticipated settlements which have not yet been reached, and to that extent they may appear to be out of balance with the actual changes in establishment levels.

The Chairman: Thank you, Mr. Grier.

Mr. Smerchanski: Mr. Chairman, I would like to make one more comment on it. I do not want to belabour the fact, but I can appreciate the fact and I can accept the 10 per cent increase. I appreciate the fact that there is an adjustment of some 8.5 per cent for group bargaining and labour reclassification. But I would suggest, Mr. Chairman, that the factor in excess of 100 per cent is completely unrealistic and if there has been an error made, I think that possibly whoever is in charge should have a good hard look at that because this is certainly not in line with the

[Interpretation]

M. Woodward: Monsieur le président, j'aimerais demander à Monsieur Grier ou à Monsieur Costley s'ils pourraient donner une meilleure explication, que je ne pourrais le faire.

M. Grier: Je ne pense pas que je puisse donner une explication détaillée et précise, monsieur le président, autre que de montrer comment la totalité des salaires et traitements de la Direction de recherches ont augmenté et indiquer les facteurs qui ont contribué à l'augmentation en 1969-1970.

Il y a un certain nombre de facteurs en cause mais le principal entre eux est la répercussion des conventions collectives sur les contrats des manœuvres et des techniciens qui a entraîné l'augmentation de \$1,440,000 pour les salaires de base en 1969-1970.

Nous avons les facteurs qui composent le coût des responsables du chauffage et de l'électricité parmi ces facteurs qui ont servi à calculer le budget de 1969-1970 et également préparer les accords de 1969-1970 qui n'ont pas encore été réglés.

Le principe suivi est que pour le contrat signé au cours de l'année en cours le ministère est responsable de l'augmentation qui entre en vigueur l'année suivante, tandis que le crédit général des salaires consenti au Conseil du Trésor couvre les effets rétroactifs des ententes passées dans l'année en cours.

Les facteurs utilisés pour calculer les salaires pour l'année suivante sont le salaire de base de l'année précédente, auquel on ajoute 3 p. 100 pour la révision générale des salaires, 1.5 p. 100 pour les promotions, les reclassifications et les augmentations annuelles, et 6 p. 100 pour les négociations collectives qui ne sont pas terminées encore. Par conséquent, le budget repose sur des règlements anticipés qui n'ont pas encore été effectués et ils peuvent donc paraître un peu déséquilibré par rapport au niveau établi.

Le président: Merci, monsieur Grier.

M. Smerchanski: Monsieur le président, je voudrais faire une remarque. Je ne veux pas éreinter le fait, mais je l'apprécie et je peux accepter une augmentation de 10 p. 100. J'apprécie le fait qu'il y a un réajustement de 8.5 p. 100 pour les négociations collectives et la reclassification des travailleurs. Mais malgré tout, monsieur le président, je dois dire que le facteur supérieur à 100 p. 100 est parfaitement utopique et s'il y a eu une erreur de faite, j'espère que celui qui en est responsable devrait étudier la question de près par ce que certainement cela n'est pas conforme du tout

[Texte]

other increased proportional estimates that are in the submission. I think that somebody should have a close look at that. Thank you, Mr. Chairman.

The Chairman: I am advised by Dr. Woodward that the departmental officials will take the matter under review and if there is supplementary information they would like to give at the next meeting, then they will take that opportunity.

Mr. Danforth on a supplementary?

Mr. Danforth: No, Mr. Chairman, I am on a point of order for the convenience of the Committee. My point of order is that for the convenience of the witnesses and also of the Committee members, the witnesses be allowed to take chairs at the table so that they will be at the microphones and ear phones and will be right in the proceedings.

The Chairman: Your point of order is well taken, and I think we can recognize it at the next meeting. We are on a time limit this morning which concludes at 11 o'clock and that is very rapidly approaching. I would like to recognize one other questioner if I may. Mr. Moore.

Mr. Moore (Wetaskiwin): Thank you Mr. Chairman. I notice that many millions of dollars are spent, and rightly so, on soil crop and animal research, and I would like to ask how the Department gets out pertinent information to the actual producers, that is, the favourable results of their research.

The Chairman: Dr. Woodward.

Dr. Woodward: Mr. Chairman, at the departmental level we have an information division and you will be examining its estimates. Its full-time job is getting out information from the Department to the agricultural press, to the producers, to the provinces. In research, we have working relationships with the provinces. We have the mechanism, through our research officers working on provincial and regional committees, to ensure input from the results of our soils and plant and animal programs in terms of specific recommendations as to fertility practices for particular crops, as to spray regimes for crop protection.

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Our information goes directly into recommendations to the producers from these provincial committees. This information does not come to headquarters at all; it goes directly across and, of course, this is one of the reasons we have establishments across Canada.

[Interprétation]

avec les autres augmentations qui sont prévues dans la soumission. Je pense donc qu'il faut étudier la question de près. Merci, monsieur le président.

Le président: Le Dr Woodward m'annonce que les fonctionnaires du gouvernement vont étudier la question de près et donnerons les renseignements à ce sujet à la prochaine réunion.

Monsieur Danforth, une question supplémentaire?

M. Danforth: Non, monsieur le président, c'est une question de règlement. Je me demande si, pour le bon déroulement de la réunion du Comité, les témoins ne pourraient pas venir tous à la table pour pouvoir être directement devant un micro et être au cœur des délibérations.

Le président: Vous avez parfaitement raison et nous y veillerons à la prochaine séance. Ce matin, on doit s'arrêter à 11 heures, c'est donc très bientôt; je voudrais encore donner la parole à une autre personne. Monsieur Moore.

M. Moore (Wetaskiwin): Merci, monsieur le président. J'ai remarqué que beaucoup de millions de dollars sont dépensés pour la recherche animale et sur les récoltes. Je voudrais savoir comment le ministère fournit des renseignements précis aux producteurs, c'est-à-dire des résultats favorables de ses recherches.

Le président: Docteur Woodward.

Dr. Woodward: Monsieur le président, au niveau ministériel, nous avons un service d'information et vous examinerez son budget. Son travail est de fournir des renseignements du ministère à la presse agricole, aux cultivateurs, aux provinces. Dans le domaine de la recherche, nous travaillons avec les provinces. Nous avons les structures, les agents de recherche qui travaillent aux comités régionaux et provinciaux, pour fournir les résultats de nos recherches sur les sols, la flore et la faune en termes de recommandations précises sur l'utilisation d'engrais pour des récoltes données, sur l'utilisation des insecticides pour la protection des récoltes.

Nos renseignements sont transmis directement aux comités provinciaux. Ces renseignements ne viennent absolument à la direction générale; ils sont transmis directement et c'est une des raisons pour laquelle nous avons des bureaux dans tout le Canada. Nous avons,

[Text]

We have, for example, our 26 major research stations supported by experimental farms and project farms. So that our information goes directly from these stations into the recommendations that are going to the producers.

We have one other relationship with the provinces that we value a great deal. Our policy is to encourage provincial extension people to locate themselves at our stations, and we offer them accommodation to encourage this. And at a considerable number of our research stations now the provincial extension people are working right with the research scientists. This is a great assist in closing this gap between knowledge and practice.

Mr. Smerchanski: Thank you. I might say I am aware of the liaison between the Department and the provincial representatives. I just feel that for a producer there has not been too much direct information pertaining to that particular producer's type of farming, but I could be wrong on this. I just feel that there has been a weakness here.

Dr. Woodward: Well, Mr. Chairman, I would certainly agree that this is an area in which we have to work very hard, and that it must involve continually improved communication and co-operation with the extension people, with the press, and on the availability of information, ensuring that it gets to the producer, the man who is going to use it.

Mr. Smerchanski: Thank you, Doctor, I realize that time is up.

The Chairman: Gentlemen, our time has expired.

Item 5 stood.

The Chairman: I will endeavour to recognize at our next meeting those who are still on my list.

The meeting is adjourned to the call of the Chair.

[Interpretation]

par exemple, 26 stations de recherches principales, toutes associées à des fermes expérimentales ou pilotes. Nos renseignements vont donc directement de ces stations aux producteurs.

Nous attachons une grande importance à une autre forme de liaison avec les provinces. Notre politique est d'encourager du personnel provincial à venir s'installer dans nos stations, et nous leur offrons le logement. Dans beaucoup de stations de recherches, nous avons ainsi du personnel provincial qui travaille directement avec les chercheurs. C'est très important pour combler cette lacune entre le savoir et la pratique.

M. Smerchanski: Merci. Je pourrais dire que je suis au courant de cette liaison entre le ministre et les représentants provinciaux. Je pense seulement que pour un producteur, il n'y a pas eu trop de renseignements directs relatifs à l'exploitation familiale, mais je me trompe peut-être. Je pense tout simplement qu'il y a ici une faiblesse.

Dr. Woodward: Eh bien, monsieur le président, je suis parfaitement d'accord pour reconnaître que c'est un domaine où il nous faut beaucoup travailler et il faut améliorer les communications et la coopération avec le service de vulgarisation, avec la Presse et s'assurer que les documents sont transmis aux personnes qui vont s'en servir.

M. Smerchanski: Je vous remercie beaucoup, je crois qu'il est l'heure.

Le président: Messieurs, donc nous en avons terminé.

Article 5, réservé.

Le président: Je donnerais la parole à la prochaine réunion à ceux qui sont toujours sur ma liste.

La séance est levée jusqu'à convocation du président.

OFFICIAL BILINGUAL ISSUE

FASCICULE BILINGUE OFFICIEL

HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

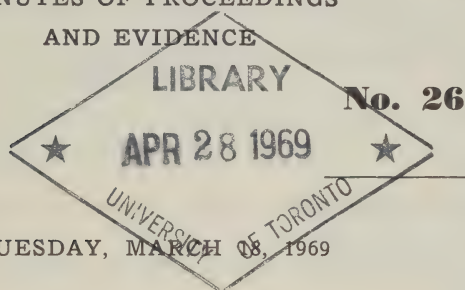
Chairman

Mr. Bruce S. Beer

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MINUTES OF PROCEEDINGS
AND EVIDENCE

PROCÈS-VERBAUX ET
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TUESDAY, MARCH 18, 1969

LE MARDI 18 MARS 1969

Respecting

Estimates (1969-70) relating to the
Department of Agriculture

Concernant

Budget des dépenses de 1969-1970 concer-
nant le ministère de l'Agriculture

Appearing:

Minister of Agriculture

Hon. H. A. Olson

A comparu:

Ministre de l'Agriculture

WITNESSES—TÉMOINS

(See Minutes of Proceedings)

(Voir les procès-verbaux)

The Queen's Printer, Ottawa, 1969
L'Imprimeur de la Reine, Ottawa, 1969

STANDING COMMITTEE ON
AGRICULTURE

COMITÉ PERMANENT DE
L'AGRICULTURE

<i>Chairman</i>	Mr. Bruce S. Beer	<i>Président</i>
<i>Vice-Chairman</i>	M. Marcel Lessard (<i>Lac-Saint-Jean</i>)	<i>Vice-président</i>

and Messrs.

et MM.

Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas (*Assiniboia*),
Foster,
Gauthier,
Gleave,
Horner,
Korchinski,

Lambert (*Bellechasse*),
La Salle,
¹LeBlanc (*Rimouski*)
Lind,
McBride,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*)
Peters,
Pringle,

Roy (*Laval*),
Smith (*Saint-Jean*),
Smerchanski,
Southam,
Thomson (*Battleford-Kindersley*),
Whelan,
Whicher,
Yanakis—(30).

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

¹ Replaced Mr. Howard
(*Okanagan Boundary*)
on March 13, 1969.

¹ Remplace M. Howard
(*Okanagan Boundary*),
le 13 mars 1969.

MINUTES OF PROCEEDINGS

[Text]

Tuesday, March 18, 1969.
(29)

The Standing Committee on Agriculture met at 9.42 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Cobbe, Côté (*Richelieu*), Douglas (*Assiniboia*), Foster, Gauthier, Gleave, Korchinski, Lambert (*Bellechasse*), La Salle, Lind, McBride, McKinley, Moore (*Wetaskiwin*), Pringle, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Thomson (*Battleford-Kindersley*), Whicher—(20).

Appearing: The Honourable H. A. Olson, Minister of Agriculture.

Witnesses: From the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; Dr. J. C. Woodward, Assistant Deputy Minister (Research); Dr. B. B. Migicovsky, Director General, Research Branch; Dr. R. A. Ludwig, Assistant Director General (Administration), Research Branch.

The Committee resumed consideration of Item 5 of the 1969-70 Estimates relating to the Department of Agriculture.

Questions were answered by the Minister and the witnesses.

With questioning continuing, Item 5 allowed to stand.

At 10.59 a.m., the Committee adjourned to the call of the Chair.

PROCÈS-VERBAL

[Traduction]

Le mardi 18 mars 1969
(29)

Le Comité permanent de l'agriculture se réunit ce matin à 9 h. 42, sous la présidence de M. Beer.

Présents: MM. Beer, Cobbe, Côté (*Richelieu*), Douglas (*Assiniboia*), Foster, Gauthier, Gleave, Korchinski, Lambert (*Bellechasse*), La Salle, Lind, McBride, McKinley, Moore (*Wetaskiwin*), Pringle, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Thomson (*Battleford-Kindersley*), Whicher—(20).

A comparu: L'honorable H. A. Olson, ministre de l'Agriculture.

Témoins: Du ministère de l'Agriculture: M. S. B. Williams, sous-ministre; M. J. C. Woodward, sous-ministre adjoint (Recherche); M. B. B. Migicovsky, directeur général, Direction de la recherche; M. R. A. Ludwig, directeur général adjoint (Administration), Direction de la recherche.

Le Comité reprend l'examen du crédit 5 des prévisions budgétaires du ministère de l'Agriculture pour l'année 1969-1970.

Le Ministre et les témoins répondent à des questions.

L'interrogatoire se poursuivant, le crédit 5 est réservé.

A 10 h. 59 du matin, le Comité s'ajourne jusqu'à nouvelle convocation du président.

*Le secrétaire du Comité,
Michael A. Measures,
Clerk of the Committee.*

[Texte]

EVIDENCE

(Recorded by electronic apparatus)

Tuesday, March 18, 1969.

● 0941

The Chairman: Gentlemen, I am informed that we have a quorum.

Last week a question was raised by Mr. Smerchanski. We did not have the complete information at that time. That information will be made available at this morning's meeting.

I think the only new faces we have this morning are those of Dr. Migicovsky and Mr. MacRae.

When the Committee rose on Thursday last we were engaged in our consideration of Item 5. I direct your attention thereto this morning. I propose to recognize those who were on the list last week and did not have an opportunity to question. However, before I do that I will ask Dr. Woodward to give us the information that Mr Smerchanski requested last week.

Dr. J. C. Woodward (Assistant Deputy Minister, Research Branch, Federal Department of Agriculture): Mr. Chairman, I would like to ask Dr. Ludwig to take this question.

Dr. R. A. Ludwig (Assistant Director General, Administration, Research Branch, Federal Department of Agriculture): Mr. Chairman, the question that was raised last week had to do with the man-year versus budget figures on the bottom of page 14 of the Blue Book. The question was a very valid one. The 1969-70 figures as given in the Blue Book are correct. The apparent discrepancies in 1968-69 in the Blue Book result from a Treasury Board change in the format of the Blue Book. There are two errors. If you look at about the middle of the page under the Branch Administration item you will notice the figure of \$1,829,800 and below that \$41,900, totalling \$1,871,700.

The total, Mr. Chairman, is correct. The discrepancy arises, in comparing this figure with the 1968-69 Blue Book, in the fact that in this 1969-70 Blue Book we are talking about Part-time, Seasonal and Casuals and the 1968-69 Blue Book reads Casuals and Others. A correction in the man-years on the left-hand side of the page was made, the corresponding dollar correction was not made. So that instead of \$1,829,800 that should correctly read \$1,819,400, and \$41,900 should

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Le mardi 18 mars 1969.

Le président: Messieurs, on me dit que nous avons quorum.

La semaine dernière, une question a été soulevée par M. Smerchanski. Nous n'avions pas tous les renseignements voulus à ce moment-là et ces renseignements seront mis à la disposition des membres ce matin. Avant de commencer toutefois, je crois que les seuls nouveaux visages que nous avons ce matin sont ceux de M. MacRae et de M. Migicovsky. Quand le Comité s'est ajourné jeudi dernier, nous étions en train d'étudier le crédit 5. Je voudrais donc attirer votre attention sur ce crédit ce matin. Je me propose de donner la parole à ceux qui étaient sur ma liste la semaine dernière et qui n'ont pas eu la chance de s'exprimer; mais avant de le faire, je demanderais à M. Woodward de nous donner les renseignements demandés par M. Smerchanski la semaine dernière.

Dr J. C. Woodward (Sous-ministre adjoint, Direction de la Recherche, Ministère fédéral de l'Agriculture): Monsieur le président, j'aimerais demander à M. Ludwig de répondre à cette question.

M. R. A. Ludwig (Directeur général adjoint (administration), Direction de la Recherche, Ministère fédéral de l'Agriculture): Monsieur le président, la question posée la semaine dernière avait trait aux chiffres du bas de la page 14 du Livre bleu. La question en était une très valable. Pour les chiffres de 1969-70 qui figurent dans le budget des dépenses, ils sont exacts. Les différences qu'on trouve dans le Livre bleu sont une erreur par suite d'un changement de format par le Conseil du Trésor. Il y a deux erreurs. Si vous voulez regarder au milieu de la page, sous le titre «*Division de l'administration*,» vous verrez le chiffre \$1,829,800 et ensuite \$41,900 en dessous pour un total de \$1,871,700 dollars.

Le total est exact, monsieur le président, pour l'effectif, mais la différence provient d'une comparaison des chiffres de 1968-69 dans le Livre bleu, parce que pour l'année 69-70, nous parlons des employés à temps partiel, saisonnier et occasionnel, alors qu'en 1968-1969, il était question d'employés occasionnels et autres. Une correction dans l'effectif en année-homme a été faite, mais le chiffre correspondant en dollars n'a pas été changé, alors au lieu de \$1,829,800

[Text]

be \$52,300. The total of those figures is the \$1,871,700 figure shown.

A corresponding error appears in the vote under Institutes, Stations and Services. Do you wish figures on that, Mr. Chairman?

● 0945

The Chairman: Yes, if it is not too lengthy.

Dr. Ludwig: No, it will just take a minute.

The total, again, \$25,682,200, is correct. If you compare with the 1968-69 Blue Book you will see the figure \$24,900,560. There was a cut last year in this item of \$300,000 after the Blue Book was printed so that the figure \$24,600,560 is last year's Blue Book figure.

Again, the man-years were corrected, the dollars were not. The two figures should read \$24,017,760 and \$1,664,440. These total up, if I am correct, to \$25,682,200. The additional \$100,000 in the new format was transferred from Item 10—a nominal casual labour charge against own forces construction projects. So adding \$100,000 you have \$24,682,000, as it appears. The difference between that \$1,664,440 and \$1,781,330 is correctly attributable to wage increases resulting from staff conversion and other factors.

The Chairman: Thank you, Dr. Ludwig. Mr. Douglas, you were on the list last week and wished to be recognized. Are you prepared this morning? If you are, I will recognize you now.

Mr. Douglas (Assiniboia): Yes. My question had to do with research.

I was particularly concerned about some of the recommendations of the task force on agriculture and also the Council's report last fall with regard to the lack of adequate research in the field of agricultural marketing—not only the question of marketing but finding out what is marketable. Has the Department of Agriculture concerned itself at all with market research for agriculture.

Hon. H. A. Olson (Minister of Agriculture): Mr. Chairman, I will ask Mr. Williams to comment on that. I think though that probably under the production and marketing section of the Department of Agriculture there has been perhaps more concentrated activity on this than in the research department, and under Item 5 of the Estimates.

[Interpretation]

cela devrait être \$1,829,400; \$41,900 devrait être \$52,300 et le total des deux se trouve à être \$1,871,700 qui est lui, exact.

Une erreur analogue paraît dans le crédit: Instituts, Stations, Fermes, Laboratoires et Services—fonctionnement et entretien. Si vous voulez les chiffres à ce sujet, je vais vous les donner.

Le président: Si cela ne prend pas trop de temps.

M. Ludwig: Non, un instant seulement. Le total de \$25,682,200 est exact. Si vous faites la comparaison avec le Livre bleu de 1968-1969 vous verrez le chiffre \$24,900,560. Il y a eu une réduction l'an dernier dans ce crédit de \$300,000 après l'impression du Livre bleu et alors le chiffre \$24,600,560 de l'an dernier était le bon. \$1,081,640 figurait aussi dans le Livre bleu de l'an dernier.

Encore une fois, on a corrigé les années-homme sans corriger pour autant les chiffres en dollars, et alors les chiffres devraient se lire \$24,017,760 et \$1,664,440. Les deux font un total, si j'ai raison, de \$25,582,200 et les \$100,000 qui restent dans le nouveau format ont été transférés du crédit 10, pour le coût de la main-d'œuvre occasionnelle, pour les ouvrages de construction des Forces armées et alors si vous avez \$100,000 de plus, vous avez donc un total de \$25,682,200—la différence entre \$1,664,440 et \$1,781,330 devrait vraiment figurer parmi les augmentations de salaire par suite de la reconversion du personnel et autres facteurs.

Le président: Merci, Monsieur Ludwig. Monsieur Douglas, vous étiez sur la liste la semaine dernière. Voulez-vous toujours avoir la parole ce matin? Si oui, vous avez maintenant la parole.

M. Douglas (Assiniboia): Oui, j'avais une question au sujet de la recherche, nous parlons toujours de la recherche, n'est-ce pas?

Je me préoccupais surtout de certaines recommandations de l'équipe de travail sur l'agriculture et du Conseil qui a fait rapport l'automne dernier, je crois, au sujet du manque de recherches suffisantes dans le domaine de la mise en marché ou de la commercialisation en agriculture. Mais aussi cette question de savoir ce que l'on pourrait commercialiser. Je me demande alors si le ministère de l'Agriculture s'est préoccupé de la recherche en commercialisation pour l'agriculture?

M. Olson (ministre de l'Agriculture): Je demanderais à M. Williams de commenter sur ce sujet et je pourrais peut-être dire que, en ce qui concerne le personnel de la production et de la commercialisation du ministère, il y a peut-être une activité plus grande prévue à ce sujet que dans le domaine de la recherche, en vertu du crédit 5 du budget.

[Texte]

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): To answer the question somewhat more directly, we are taking two steps in order to recognize this problem. These steps have been under way for some time, although they have culminated in a re-organization of our economics branch, which will place increasing emphasis on the research into marketing.

There will be an announcement very shortly as to the organizational changes within that branch. In addition to that, as Mr. Olson pointed out, increased emphasis is being placed in the functions of the production and marketing branch in the various commodity divisions on marketing and we have been doing a considerable amount of work, particularly in relation to marketing boards and their role and function on a national basis.

Mr. Douglas (Assiniboia): I am a little disappointed at the small increase in some places and the reduction in others in the research budget. I think that agricultural research is something that we have not had enough of and that instead of holding at a steady pace, requiring a 10 to 12 per cent increase each year just to

● 0950

maintain the status quo, perhaps we should be putting more money into research.

The Chairman: Thank you, Mr. Douglas, I will recognize Mr. Korchinski.

Mr. Korchinski: Mr. Chairman, I want to ask a few questions with regard to the reduction of manpower in some areas and the increase in others, and first of all I would like to know to what extent any reductions were made within the Department as a result of the effort on the part of the government to curtail expenditure. There was some attempt at that reduction a year or so ago. I want to know just to what extent your Department was affected by that . . .

Mr. Olson: Well, Mr. Chairman, would Mr. Korchinski want the answer in the number of vacant positions, for example, where there was a freeze? Is that the kind of information you are seeking?

Mr. Korchinski: Well, I have looked at the Estimates, and I note in Vote 5 for example, under Institutes Stations, Farms, Laboratories and Services, that in the scientific and professional positions there was a reduction. I am just wondering how that one particular phase of the Department was affected. Were there definite instructions to curtail some work at the experimental farms or the laboratories? What suffered as a result, if anything?

Mr. Olson: Mr. Williams.

[Interprétation]

M. S. B. Williams (sous-ministre, ministère de l'Agriculture): Pour répondre un peu plus directement à la question, je dirais que nous prenons deux mesures afin de reconnaître ce problème. Ces mesures sont en cours depuis un certain temps et résulteront en une réorganisation de notre Direction de l'économie pour insister un peu plus sur la recherche dans le domaine de la commercialisation.

Sous peu, il y aura une série de changements à cet égard et en plus, comme M. Olson l'a dit, on insiste un peu plus sur les fonctions de la Direction de la production et de la mise en marché pour les différents produits. Nous avons fait passablement de travail, tout particulièrement dans le domaine des bureaux de commercialisation et de leurs rôles et de leurs fonctions sur le plan national.

M. Douglas (Assiniboia): Je suis un peu déçu des petites augmentations ici et là, et par ailleurs de la réduction dans le domaine de la recherche. Je crois que la recherche agricole est délaissée depuis un certain temps. Au lieu de nous en tenir à un rythme qui nous permettrait de donner une augmentation de 10

p. 100 ou 12 p. 100 juste pour maintenir le *statu quo*, nous devrions peut-être consacrer plus de fonds à la recherche au lieu de nous en tenir au même point.

Le président: Merci, monsieur Douglas. Je donne la parole maintenant à M. Korchinski.

M. Korchinski: Monsieur le président, je voudrais poser certaines questions au sujet de la réduction de l'effectif dans certains domaines et d'une augmentation dans certains autres domaines. Tout d'abord, j'aimerais bien savoir jusqu'à quel point il y a eu réduction au sein du ministère à la suite de la tentative de la part du gouvernement de réduire ou de limiter les dépenses, quand on a essayé il y a un an d'effectuer cette réduction. Je me demande alors en quel point votre ministère a été touché par cette tentative.

M. Olson: Monsieur Korchinski, est-ce que vous voulez la réponse en chiffres ou en postes gelés. Est-ce le genre de renseignements que vous désirez obtenir?

M. Korchinski: Je regarde le budget ici, par exemple la catégorie scientifique et professionnelle alors qu'il y a eu une réduction aux institutions, stations, fermes, laboratoires et services. Alors je me demande, comment a été touché cet aspect de l'activité du ministère. Est-ce qu'il y a eu réduction du travail à la Ferme Expérimentale ou aux laboratoires? Qui en a souffert en d'autres termes, quel a été le résultat de ces réductions?

M. Olson: M. Williams.

[Text]

Mr. Williams: The basic premise on which the Department prepared these estimates was that there was a restriction, a dual restriction as a matter of fact, in respect of staffing and it applied across the entire Department irrespective of the function. One restriction was the dollar restriction, in other words so much money was allowed for salaries, and the other restriction was on total man-years. The actual position that we were instructed to hold was our actual strength as at a fixed time.

I think you gentlemen will appreciate that a department normally runs with a certain establishment and that normally you cannot at any time have all your establishment filled simply because there is a continuing turnover that averages about 5 per cent. This includes separations, retirements, and the normal time required to fill them. So any department normally runs at about 95 per cent strength. The larger the department the closer you can get to the full strength,

● 0955

but it is only within a half a per cent or something of that nature that you can move on either side of this, based on the normal administrative problems associated with filling a position and finding suitable people to fill positions.

As happened right across the entire government, our establishment was frozen at our strength at a fixed time, and this did reduce the number of people that we could have in our employment at any time. It is a little difficult to exactly compare the figures because there are some changes, but basically our full-time ceiling at present is 8,786 positions. For the new year it is 8,789 positions. However, in the old year, that is to say in the current year 68/69, the listing is the establishment rather than the actual man-years. So in fact we have authority this year for three more positions than we had last year.

But I must qualify this by saying that the figure that is shown in the right-hand column of "Strength" right throughout this entire book is establishment as opposed to actual strength. In the new year it is the strength authority. So they are shown on a somewhat different basis. The fact is, though, that there is a limitation that did not exist last year.

Mr. Korchinski: Well, I think you are trying to give me the general attitude at the time, but I want to be a little more specific. On page 14, under Research, you will notice that Executive dropped by 2, but Scientific and Professional dropped by 8 from 15 to 7. Now I go down to Institutes, Stations, Farms, Laboratories and Services, and I see that Executive increased by one. At the same time Scientific and Professional was decreased by 83. I am just wondering what type of freeze this was where you reduced the scientific help, the professional help, and all of a sudden somebody got boosted

[Interpretation]

M. Williams: La façon dont le ministère a préparé les prévisions budgétaires, c'est qu'il y a eu une double restriction en ce qui concerne l'effectif à travers le ministère, indépendamment de la fonction. Une restriction était une restriction monétaires par conséquent, une certaine somme d'argent était prévue pour la rémunération, le traitement; et l'autre restriction visait le total en années-homme. En fait, on nous a demandé de maintenir la situation de l'effectif à un moment donné.

Vous comprendrez facilement, j'en suis sûr, messieurs, que normalement un ministère possède un certain effectif et que d'habitude vous ne pouvez pas remplir tous vos postes simplement parce qu'il y a continuellement un roulement qui se chiffre par une moyenne de 5 p. 100 de l'effectif total. Cela comprend les retraites, ceux qui ont quitté le service ainsi que le temps normal requis pour remplir les postes, donc, un ministère fonctionne normalement avec le 95

p. 100 de son effectif autorisé. Plus un ministère est important, plus vous êtes près du total de votre effectif, mais la différence est toujours d'au moins ½ p. 100, selon les problèmes normaux de l'administration pour remplir les cadres et trouver les gens voulus pour les postes vacants.

Comme il s'est produit partout au gouvernement, notre effectif a été gelé à l'effectif que nous avions à un moment donné, ce qui a réduit nécessairement le nombre de personnes que nous pouvions employer en tout temps. Il est un peu difficile de faire la comparaison exacte car il y a eu des changements mais, en somme, le plafond de l'effectif constant que nous avons à l'heure actuelle est de 8,786 postes.

Pour la nouvelle année, il est de 8,789 mais vous verrez qu'au cours de cette année 1968-1969, vous avez en fait le chiffre de l'effectif plutôt que le chiffre en années-homme. En fait, nous avions l'autorisation cette année d'avoir trois postes de plus que nous avions l'an dernier.

Je dois peut-être ajouter toutefois que le chiffre qui se trouve dans la colonne de droite «effectif» partout dans le budget se trouve être l'effectif autorisé plutôt que l'effectif réel et dans la nouvelle année ce sera l'effectif réel que nous mentionnerons. Le fait demeure qu'il y a une restriction qui n'existait pas l'an dernier.

M. Korchinski: C'est un peu difficile d'après votre réponse, vous essayez de me donner l'attitude générale à un moment donné mais je voudrais être un peu plus précis. A la page 14, si vous regardez dans le domaine de la recherche, vous verrez que les postes exécutifs ont baissé de deux mais que les emplois de la catégorie scientifique et professionnelle ont baissé de 8 postes. Je tombe ensuite aux instituts, stations et fermes et je vois que la direction a augmenté de 1 alors que les sciences et les professions ont été réduites de 83. Alors de quelle sorte de

[Texte]

upstairs or something, and I would like an explanation as to why you need more executives and fewer professionals.

Mr. Williams: These changes—we can get the information and complete detail on it—represent re-allocation of the resources between the headquarters in Ottawa and the various field establishments, but overall it does represent a decrease in the total establishment.

Mr. Korchinski: Yes, it is quite obvious that it does indicate a decrease, but who got the axe? Where did these people go? What happened to them? What research are we not doing now that we were doing before?

Mr. Williams: Well, there were no people laid off or fired in the scientific and professional category under this. It was only that as positions became vacant, we could not fill them, and we were held to one strength. I think possibly I should ask Dr. Woodward or Dr. Migicovsky to indicate the areas that we have strengthened in our research, that is to say where we have transferred positions—this is a normal function that we go through—the areas that have been strengthened and the areas where we have tended to restrict the work because of the restrictions that have been placed upon us in terms of dollars and manpower.

Dr. Woodward: Mr. Chairman, our proposals for 1969/70, coupled with the general curtailment of the other programs are some strengthening in our cereal research program, in our engineering research, and some strengthening in our research in regard to pollution. Our intention is to hold our animal research program at just about its present level. You will appreciate that these are adjustments within the resources available, so that the strengthening of these programs is coordinated with the general curtailment of other programs.

• 1000

Mr. Korchinski: I understand that you were not allowed to hire when vacancies occurred. Am I correct in that assumption?

Mr. Williams: Within certain limitations, that is correct. The method by which we were restricted to a certain level was that we could not refill positions as they became vacant, up to a certain level. But once we dropped below that fixed level, which was the strength as at the first of April last year, we of course can refill the positions.

Mr. Korchinski: But in the event there were some categories of employees who had reached retirement

[Interprétation]

gel s'agit-il? Est-ce que nous réduisons les postes scientifiques et professionnels et tout d'un coup quelqu'un a eu une promotion, ou un avancement, que se produit-il? Pourquoi avons-nous besoin de plus de directeurs et de moins de professionnels?

M. Williams: Je pourrais vous obtenir tous les détails de ces changements mais ces changements effectivement représentent une nouvelle répartition des ressources en personnel entre le siège d'Ottawa et les différentes institutions à travers le pays. Mais dans l'ensemble il s'agit d'une réduction dans le total de l'effectif.

M. Korchinski: C'est évident qu'il y a une réduction mais qui s'est fait limoger, où sont allés ces gens, qu'est-ce qui leur est arrivé, quelles recherches ne faisons-nous plus que nous faisons avant?

M. Williams: Il n'y en a pas qui ont été limogés ou congédiés dans la catégorie scientifique et professionnelle mais, au fur et à mesure que les postes étaient vacants on ne pouvait les repourvoir et on s'en est tenu à ce chiffre. Je devrais peut-être demander au Dr. Woodward ou au Dr. Migicovsky de nous indiquer là où nous avons renforcé notre effectif de recherche c'est-à-dire, là où nous avons muté les gens, c'est une procédure normale de muter les gens qui étaient en fonction dans des domaines où nous avons eu à restreindre le travail par suite des restrictions qui nous ont été imposées soit sous forme de main-d'oeuvre soit sous forme monétaire.

M. Woodward: Monsieur le président, nos prévisions pour 1969-1970, en plus de la réduction générale dans les autres programmes et quelques augmentations dans la recherche sur les céréales, le génie et la pollution. Nous avons l'intention de maintenir les programmes en recherche animale au niveau actuel, vous comprendrez donc qu'il s'agit d'ajustement intérieur des ressources dont nous disposons. Par conséquent, si nous renforçons ces programmes, cela sera coordonné avec la réduction générale des autres programmes.

M. Korchinski: Je crois comprendre qu'on ne vous a pas permis d'engager du personnel pour combler les postes vacants. Ai-je raison de supposer cela?

M. Williams: Jusqu'à un certain point, oui, c'est exact. La méthode par laquelle on nous a restreint à un certain niveau, c'est que nous ne pouvions plus remplir les postes au fur et à mesure qu'ils deviennent vacants jusqu'à un certain niveau. Mais une fois que nous étions en dessous de ce niveau, ce qui est arrivé en avril de l'an dernier, évidemment nous pouvions alors remplir ces postes.

M. Korchinski: Au cas où certaines catégories d'employés avaient atteint l'âge de la retraite ou quitté

[Text]

age, or perhaps had left the service for one reason or another, and they were in the midst of a certain type of research, were you permitted to rehire and replace these people or was this just set aside, shelved temporarily?

Mr. Williams: If we were within the ceiling we could rehire; if we were at the ceiling we could not rehire.

Mr. Korchinski: In other words, if some particular phase of research was being conducted and a man became sick and ended up in hospital, that was it; everything had to stop?

Mr. Williams: Unless we were able to find a position somewhere else to transfer into that, yes.

Mr. Korchinski: In Vote 5, under administration, operation, and so on, you have a reduction from 15 to 7 and I wonder if you could give us a breakdown of the types of services that were affected there, and also in regard to the institutes, stations, farms, laboratories, and so on. Could you give me a breakdown as to the type of work that was actually being conducted by those 925 people. You are now apparently quite satisfied with 843 people working in that area. I do not expect you can give me the answer immediately, but could you possibly get this type of information for me?

It seems to me that you would probably have had to set up a system of priorities, and if there was a genuine reduction and if it was necessary that is fine, but if something has suffered because of that I would like to know about it. I also want to know at this particular time how you went about setting up a system of priorities to decide what must be continued and what areas received the preference over other areas, and so on.

Mr. Olson: Mr. Chairman, I think Dr. Woodward just read out a list of the areas where the research establishment was strengthened, so the question has already been answered. I suppose we could . . .

Mr. Korchinski: It may have been answered . . .

Mr. Williams: Excuse me, I would like to say one thing. I endeavoured to say this earlier but undoubtedly I was not quite clear. Many of these decreases are decreases on the basis of bookkeeping. That is to say, before this it was establishment irrespective of whether the positions were filled or not and at the present time it is man-years. I pointed out that for the department as a whole our ceiling is three higher this year than it was last year in actual fact, but the figure shown for last year was the establishment.

I will say one word in an attempt to define these terms, because I am sure this is part of the difficulty.

[Interpretation]

le service pour une raison ou pour une autre, et qui se trouvaient en train de faire certains travaux de recherche, est-ce qu'on vous autorisait à les remplacer ou de les reprendre à votre service, ou bien est-ce qu'on a simplement mis cette question de côté pour le moment?

M. Williams: Si nous étions dans la limite du plafond, on pourrait embaucher quelqu'un, mais si nous avons atteint la limite, on ne pourrait le faire.

M. Korchinski: Autrement dit, si certains travaux de recherche étaient en cours et que la personne tombe malade, est-ce que les travaux s'arrêtent?

M. Williams: Tout est arrêté, à moins que l'on puisse transférer quelqu'un à son poste.

M. Korchinski: Au crédit 5 «administration, fonctionnement, etc.» vous avez une diminution de 15 à 7. Je voudrais avoir une ventilation des différents services qui ont été touchés ici et également pour les Instituts, fermes, stations, laboratoires, etc. Est-ce que vous pourriez me donner une ventilation des travaux qui étaient accomplis par les 925 personnes. Vous semblez maintenant satisfaits des 843 employés dans ce domaine. Je ne vous demande pas une réponse immédiate, mais je me demande si vous ne pourriez pas nous trouver ce genre de renseignements.

En effet, je crois que vous auriez probablement dû créer un système de priorités, et s'il y a eu une réduction véritable qui était nécessaire, c'est très bien, mais si quelque chose en a souffert, j'aimerais savoir quoi. J'aimerais également savoir maintenant comment vous avez pu établir votre liste de priorités pour décider quels travaux poursuivre et à qui on donne la préférence.

M. Olson: Monsieur le président, je pense que le docteur Woodward a donné lecture d'une liste des domaines où les travaux de recherche ont été accrus. Vous avez donc déjà reçu une réponse.

Je pense que . . .

M. Korchinski: On y a peut-être répondu . . .

M. Williams: Je m'excuse, j'aimerais ajouter quelque chose. C'est ce que j'ai voulu dire plus tôt, mais j'ai l'impression de ne pas me faire comprendre. Bon nombre de ces diminutions, ne le sont que du point de vue comptable. C'est-à-dire qu'avant, on parlait de l'effectif que le poste soit rempli ou non, alors que maintenant on parle d'années-homme. J'ai déjà indiqué, pour l'ensemble du Ministère, que le plafond est trois fois plus élevé cette année que l'année dernière, mais l'année dernière on parlait globalement de l'effectif.

Je vais tenter de définir les termes, car à mon avis, c'est de là que vient la difficulté. Ce que l'on appelle

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The establishment is simply the total numbers of authorized positions that the department had at a certain point. Last year we had an establishment of 10,352 man-years. I pointed out earlier that once we had this establishment we could never be more than about 95 per cent of it at any time because of the turnover. The system of using an establishment was wiped out and in place of it we were given what was known as a ceiling. This simply means that at no time can we have more people on strength than the ceiling but we still have the total number of positions, so to speak, that we can fill.

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In other words, we do not have to restrict ourselves to the 95 per cent because of the turnover; we can staff right up to the level of our new authorized strength. The new authorized strength for last year, which is the ceiling beyond which we are not allowed to have one extra person on strength, was 8,786 and that was based upon the number of people that we actually had in our employ at a certain time. For the new year we have a ceiling that is three higher than the previous year, and this is because of internal transfers.

Mr. Korchinski: I am sure the Minister has certain information that I do not have because he would be more familiar with the operation of the department and he might feel that the answer is adequate. I once worked for the civil service and I know that some people in a department work twice as hard as others and I know there are some areas within departments that you could reduce. For example, if you had someone running around full time with a car doing service, and that sort of thing, that could be reduced. However, your total man-years could be maintained at a certain level.

There is reference in this Blue Book to the scientific and professional people and I am trying to find out what work these people were doing that is no longer going to be done. Is there somebody in animal Research that is not working now? This is the breakdown that I would like at another time. I realize there are certain priorities and you can perhaps do away with some casual help.

The Chairman: I think Dr. Migicovsky has some supplementary information that he would like to give to the Committee.

Dr. B. B. Migicovsky (Director General, Research Branch, Department of Agriculture): Mr. Chairman, I assume that the member is concerned about the changes in program that would result from the fact that there are less scientific and professional positions in one year than there is in the other.

It must be understood that what we lost were vacant positions at the particular time of year that Mr. Williams referred to. There was nobody in them. True,

[Interprétation]

l'effectif c'est le nombre total de postes autorisés pour un ministère à un moment donné. L'année dernière nous avions un effectif de 10,352 années-hommes. J'ai déjà indiqué qu'une fois que l'effectif serait établi on n'en atteindrait jamais 95 p. 100 à cause du roulement de personnel. Le système de l'effectif maintenant a été supprimé et on a fixé un plafond à la place. Ce qui veut dire qu'on ne peut à aucun moment avoir plus d'employées que le nombre fixé, mais nous avons toujours le nombre total de postes à pourvoir.

Autrement dit, on n'a pas besoin de se limiter à 95 p. 100 de l'effectif à cause du roulement on peut recruter tout le personnel autorisé. Le plafond autorisé pour l'année dernière, qui est le nombre au-delà duquel on ne peut pas recruter qui que ce soit, était de 8,786, et était basé sur le nombre d'employés que nous avions effectivement à notre service à un moment donné. Le plafond pour la nouvelle année nous accorde trois postes de plus que l'année précédente, en raison des transferts internes.

M. Korchinski: Je suis certain que le ministre a des renseignements que je n'ai pas parce qu'il doit connaître beaucoup mieux le fonctionnement de son ministère, et il lui semble peut-être que la réponse est satisfaisante. J'ai déjà travaillé pour la fonction publique, et je sais qu'il y en a certains dans les ministères qui travaillent deux fois plus que d'autres, et je sais, par ailleurs, qu'il y a certains secteurs où on pourrait effectuer des réductions. Par exemple, si vous avez quelqu'un qui rend des services avec sa voiture à plein temps, on pourrait réduire ces services, tout en conservant le même nombre d'années-homme.

Dans ce Livre bleu vous mentionnez le personnel des sciences et professions; j'aimerais savoir quels travaux que faisaient ces gens ne seront pas poursuivis. Alors est-ce qu'il y a des gens de la recherche animale qui ne travaillent plus? Voilà le genre de ventilation que je voudrais avoir. Je comprends qu'il y a certaines priorités et vous pourriez peut-être éliminer certains employés occasionnels.

Le président: Je pense que le docteur Migicovsky a des renseignements supplémentaires à communiquer.

M. B. B. Migicovsky (Directeur général, Direction de la recherche, ministère de l'Agriculture): Monsieur le président, je suppose que ce qui intéresse le député c'est les changements des programmes à la suite du nombre inférieur de postes des sciences et professions cette année par rapport à l'année dernière.

Il faut comprendre que ce que nous avons perdu au moment de l'année qu'a indiqué M. Williams, c'étaient des postes vacants. Autrement dit, ces postes n'étaient

[Text]

these positions were assigned to programs. Obviously at any one time the positions we are filling, could vary from 93 to 95 and they could vary the other way. We were caught with this many vacancies and we lost so many positions. What we proceed to do is to take advantage of the continuing movement of positions. That is as positions become vacant after this particular time we restructure our more important programs and we give high priorities.

Secondly, we now attempt to fill to 100 per cent. Of course, we may not go to 100 per cent but we go considerably higher than we were before as Mr. Williams pointed out. You could fill to 100 per cent and if the variety of people you have to hire is not as great it is easier to get people.

This is how we get around it. We really could not show you exactly where we lost people because we did not lose people in positions, we just decreased the number of vacancies. This is what happens, in effect, when it is held up by the money ceiling. We cannot go beyond that. There may be the odd change but it is of relatively small importance. All the time we are reviewing our research program, and so far as we are able we have to shift from a program which is of a lower priority to one of a higher priority. We retread people; we take advantage of a vacancy that appears in a low priority program and change that position to a high priority program. This is what happens.

If you spread the number of people in respect of these 925 positions right across the country into the stations and institutes you really do not have anything very significant in any one particular program. This is how we have managed to do it. Do you understand what I am getting at?

Mr. Korchinski: Yes, I know. When you spread them all over you wonder what goes on.

Dr. Migicovsky: Of course, if there are changes, if a program has lost its priority, if we can we naturally decrease the amount of manpower involved in that program and put it into a program of a higher priority.

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Mr. Korchinski: At any rate, I wonder if you could just look at that matter and see if you cannot prepare something for me. I will not labour that any further.

Mr. Olson: Mr. Chairman and Mr. Korchinski, if you are looking for some specific personalities who were laid off and specific programs that were discontinued because of this change, it is almost impossible to

[Interpretation]

pas pourvus au moment. Certes, ces postes étaient affectés à des programmes. Mais le nombre de postes que nous remplissons à un moment donné peut varier de 93 à 95 p. 100. Mais nous étions pris avec ces vacances et nous avons perdu ces postes. Nous avons essayé de profiter du mouvement continu des postes, c'est-à-dire que, au fur et à mesure que les postes sont devenus vacants depuis, nous restructurons nos programmes les plus importants et nous leur accordons la priorité.

Deuxièmement, nous tentons maintenant de recruter 100 p. 100 de l'effectif autorisé. On n'atteint peut-être pas ce chiffre, mais nous le serons de beaucoup plus près. On pourrait atteindre 100 p. 100 et si la diversité des personnes recrutées n'est pas aussi grande, c'est plus facile.

C'est ainsi qu'on peut y parvenir. Autrement dit, on ne pourrait pas vous indiquer exactement à quel endroit nous avons perdu des gens parce qu'en fait nous n'avons pas perdu de gens en poste, nous avons simplement diminué le nombre de postes vacants. C'est ce qui se passe lorsqu'on est restreint par le budget. C'est un plafond qu'on ne peut pas dépasser. Il peut y avoir quelques changements, mais ils sont relativement peu importants. Nous réexaminons constamment notre programme de recherche et il nous faut passer, dans la mesure du possible, d'un programme dont la priorité est moins élevée aux programmes qui bénéficient d'une plus grande priorité. Nous reclassons notre personnel; nous profitons de ce qu'une vacance se présente dans un programme moins prioritaire pour transférer ce poste à un programme plus prioritaire. C'est ce qui se passe.

Si vous répartissez le nombre d'employés par rapport aux 92 postes dans tout le pays, dans les stations et les instituts, on ne remarque pas de changement importants dans un programme particulier. C'est ainsi que nous avons pu contourner la difficulté. Avez-vous compris ce que je voulais dire?

M. Korchinski: Oui, je comprends très bien. Lorsque vous répartissez votre personnel dans tout le pays, on se demande ce qui se passe.

M. Migicovsky: S'il y a des changements, si un programme n'est plus prioritaire, on diminue, si possible, le nombre de personnes attaché à ce programme et on les attache à un programme d'une plus haute priorité.

M. Korchinski: Est-ce que, de toute façon, vous pourriez étudier cette question et me préparer quelque chose à ce sujet. Je ne poursuivrai pas ce sujet plus loin.

M. Olson: Monsieur le président et monsieur Korchinski, si vous cherchez à trouver, le nom de personnes qui ont été mises à pied à cause de programmes qui ont été interrompus, je crois qu'il est

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answer the question in those terms because, as has been pointed out, there were none. We have been reduced in the number of positions that are available but, as has been pointed out, those positions were vacant although they were authorized within the establishment. In respect of the number that we are talking about here, those positions were vacant at the time, and that is what has been reduced in these figures that you are looking at. So we are not able to give you the names of anyone or the programs that have been cut, because they were not filled at the time the cut was made in the establishment.

Mr. Korchinski: Mr. Olson, I think Mr. Williams indicated by nodding that he was quite prepared to look at it and perhaps give me something on it.

Mr. Whicher: It really means that we have not saved any money after all.

Mr. Olson: Well I think there is some saving. In some of these votes that you are looking at there is a reduction in the authorization that we are asking Parliament to make for the Department of Agriculture, and of course there are some increases too.

Mr. Korchinski: Could I approach it from another angle. Were there any positions advertised for employment within the civil service that were not actually filled? If so, could I be provided with the types of positions that were advertised and not actually filled?

Mr. Williams: We do not have a comparison.

The Chairman: This is a proper question: Were there positions advertised that were not filled because of a cut-back? If so, what positions were advertised and not filled?

Mr. Williams: I am afraid that I cannot answer that absolutely, but it would be my view that we never advertise a position unless we have an authority to cover it. In other words, we do not simply go out and advertise a position and then wonder afterwards whether we will be putting ourselves above the ceiling, or whether we will be able to pay the man. We clear that before the position is advertised.

I think I can say that, there may have been the very odd position that may have been advertised and not filled because a suitable candidate was not turned up by the competition. We probably could get you a list of that type of advertisement where the position was not filled because a suitable candidate did not apply.

Mr. Korchinski: I wonder if you might look at another aspect of this. Could you give me an indication of some work that you think at the moment the department should be doing but perhaps, because of

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malheureusement impossible de vous répondre dans ce sens, car comme on vous l'a indiqué, personne n'a été mis à pied. On a simplement diminué le nombre de postes disponibles, mais comme il a déjà été indiqué, ces postes étaient déjà vacants, bien qu'ils faisaient partie de l'effectif autorisé. Au sujet du nombre dont nous parlons ici, ces postes étaient vacants à ce moment-là. Et, c'est cela qui a été diminué dans les chiffres que vous avez vus. Par conséquent, on ne peut pas véritablement vous donner de noms, ni de personnes, ni de programmes qui ont été réduits, parce que ces postes-là n'étaient pas remplis lors de la réduction en question.

M. Korchinski: Monsieur le ministre, je pense que M. Williams a indiqué qu'il est tout à fait disposé à étudier la question et peut-être me fournir des renseignements.

M. Whicher: Cela veut dire qu'il n'y a pas eu d'économie d'argent de réalisée?

M. Olson: Eh bien, il y a eu quelques économies certainement. Il y a eu une réduction dans le nombre d'autorisations qui ont été demandées pour le ministère de l'Agriculture et il y a eu certaines augmentations également.

M. Korchinski: Est-ce que je pourrais aborder la question sous un autre angle? Est-ce qu'il y a eu des postes annoncés dans la Fonction publique qui n'ont pas été occupés? Si la réponse est oui, est-ce que vous pourriez me donner les postes qui ont été annoncés et non comblés?

M. Williams: Nous n'avons pas de chiffres comparatifs.

Le président: Voici la question mieux formulée: est-ce qu'il y a eu des postes qui n'ont pas été remplis à la suite de ces réductions? Si oui, quels postes ont été annoncés et n'ont pas été comblés?

M. Williams: Eh bien, je regrette, je ne peux pas vous donner une réponse absolue. Mais, d'après moi, nous ne faisons jamais de publicité pour un poste, à moins d'avoir le pouvoir d'embaucher quelqu'un. Autrement dit, nous n'allons pas annoncer un poste pour nous demander ensuite si nous ne dépassons pas notre plafond ou si nous pouvons payer. Nous établissent tout cela avant d'annoncer.

Maintenant, il a pu se produire qu'un poste ait été annoncé et n'ait pu être comblé faute d'un candidat compétent. On pourrait éventuellement vous donner une liste des postes qui ont été annoncés et n'ont pu être comblés faute de candidats compétents.

M. Korchinski: Je me demande si vous ne pouvez pas étudier un autre aspect de la question. Est-ce que vous ne pourriez pas me citer certains travaux qui, normalement, devraient être effectués actuellement par le

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some curtailment, you have had to defer. I am not saying that you have dropped it entirely but, are there some areas where you feel there is a need but that because there are certain curtailments you do not feel you should proceed at this time?

Mr. Olson: Mr. Chairman, I wonder if we could do it the other way. We could provide you with a list in some detail and the professional man-years that have been assigned to each one of them. I could give you some examples. Under the heading of Soils there is 123 professional man-years assigned to that in the new program. Then under Crops, Cereal, General there are 42 under cereal, there are 61 under forage, 64 under oils, 12, and so on all the way down. Then you could make the decision whether or not —

Mr. Korchinski: That is fine.

Mr. Olson: —it is enough because, as far as we are concerned, we could use some more people in almost all of these programs.

Mr. Korchinski: This is fine, but the point is that when providing me with a list I would also like you to provide me with the number of people actually at work in some areas—you mentioned soils, cereal and so on—and compare that number, with this year. I

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am thinking in terms of where research was being conducted and now it has been dropped. I really want to see whether or not you have really reduced or cut back. If you provide me with a complete list I will have a look at it and perhaps, it will satisfy me.

Mr. Olson: We will do that.

Mr. Korchinski: Could you indicate what areas of research may have been affected right here at the Experimental Farm in Ottawa? Was there any reduction at all in certain research work? Were any projects at all dropped as a result of this situation?

Mr. Olson: You mean specific programs that were discontinued?

Dr. Migicovsky: No specific projects were discontinued. You might say small parts of a program were discontinued and shifted, because of the vagary of scientific research, but all in all one might say that the over-all attention given to research in the Ottawa area has not changed significantly. I can give you an example, if you wish.

For example, we have a small reduction in the amount of physiology research being done in the Ottawa area largely because we are restructuring the physiology program and moving people from one institute to another institute in order to give us what we

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ministère, mais que vous avez dû remettre à la suite de réductions. Je ne dis pas que vous les avez abandonnés complètement. Y a-t-il des secteurs où vous croyez qu'il faudrait faire quelque chose mais où vous ne procédez pas à cause d'une réduction?

Mr. Olson: Eh bien, monsieur le président, je me demande si on ne pourrait pas faire cela en sens inverse. On pourrait vous donner une liste détaillée avec les programmes et le nombre d'années-homme de travail qui y ont été consacrées. Par exemple, sous la rubrique «Sols» il y a eu 123 années-homme de travail dans ce programme. Sous la rubrique «Récoltes, Céréales, Général» il y en a 42; «Céréales» il y en a 61; «Forages» 64, «Huile»: 12, etc., etc. Vous pourriez décider alors si...

Mr. Korchinski: Très bien.

Mr. Olson: ...c'est suffisant ou si ce ne l'est pas, parce que, en ce qui nous concerne, nous aurions besoin de plus de personnel dans chacun de ces programmes.

Mr. Korchinski: Mais c'est très bien, ce que je voulais dire c'est que, si vous me fournissez cette liste, vous pouvez également me donner le nombre de gens qui ont réellement participé à ces programmes, vous avez parlé de «Sols», «Céréales» etc., et le comparer à celui

de cette année. Je pense à la recherche qui était faite et qui est maintenant discontinuée. Je veux savoir véritablement si vous avez diminué ou non, réduit ou non. Alors, si vous me fournissez une liste complète, je pense que cela me sera très utile.

Mr. Olson: Nous le ferons.

Mr. Korchinski: Maintenant, est-ce que vous pourriez nous dire quel domaine de recherches a pu être affecté ici à la ferme expérimentale d'Ottawa? Est-ce qu'il y a eu des réductions dans certains programmes de recherches? Est-ce qu'il y a des projets qui ont été abandonnés à la suite de cela?

Mr. Olson: Vous voulez dire des programmes précis qui ont été abandonnés?

Mr. Migicovsky: Eh bien, il n'y a eu aucun programme d'interrompu. Vous pourriez peut-être dire qu'une partie d'un programme a pu être interrompue ou déplacée, parce que cela fait partie du caractère incertain de la recherche scientifique. Mais, disons que, dans l'ensemble, la recherche dans la région d'Ottawa n'a pas changé de façon importante. Je peux vous donner un cas précis.

Par exemple, nous avons une petite réduction, de la recherche en physiologie qui s'est faite dans la région d'Ottawa, simplement parce qu'on est en train de restructurer le programme de physiologie, en déplaçant des gens d'un service à l'autre pour leur

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believe is to be a better attack on the particular problems that present themselves. But these are continuous changes in program—you might call them almost vibrations—in structuring a large research program of the kind we have in the branch. We always have small changes going on throughout the year.

Mr. Korchinski: I know you are doing some research into rapeseed here at the Farm and I wonder if you could tell me what phase of research we are entering now—whether we have completed the one aspect, making it edible for human consumption and that sort of thing by removing the toxicity?

Dr. Migicovsky: There are two phases of research on rapeseed. The important thing is not particularly being done in Ottawa. One of the more important areas is being done at Saskatoon, where the geneticists appear to be making great progress in breeding out the toxic compounds present in rapeseed meal. They are doing it by genetics. At the same time the people in the Food Research Institute have come up with a method whereby they can process the meal and remove the toxic properties and get a colourless, high protein product which has possibilities—I want to emphasize the word “possibilities”—of becoming a human food. Much more work has to be done. In particular, the cost of this process has to be brought into line with the same costs that prevail in terms of producing other high protein foods. Also, work has to be done in what one does with this high protein food. I think we are looking to the future now, where we think in terms of protein deficiencies throughout the world and how one is going to go about producing foods of a kind that will meet world requirements for protein.

At the present time people in the project are conferring with people in the universities, with people in industry, with an idea to producing a product that might be marketable. At this stage one cannot say it is going to be a marketable product.

Mr. Korchinski: Would you be prepared to make any type of a prediction as to how much longer it will take to come up with some of these answers? I am thinking in terms of what is happening in the field of wheat and barley production, sales and so on, and I am thinking of the production of rapeseed as a cash crop alternative. I am just wondering whether enough work is being done in this area and whether we are anywhere near getting answers to some of these problems,

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which seem to be very, very important at this particular time.

Dr. Migicovsky: Well rapeseed, as you know, is becoming an alternate crop. Obviously, the main product is oil, which is being produced very effectively in this

[Interprétation]

permettre d'avoir selon nous une meilleure vue du problème qu'ils abordent. Mais, ce sont là simplement des modifications continues à l'intérieur d'un programme. On peut qualifier cela des petites vibrations simplement, rien d'autres, dans la structuration des grands programmes de recherches qui nous avons aussi dans notre division. Nous avons toujours des petits changements comme cela qui se font tout au long de l'année.

M. Korchinski: Je sais que vous faites certains travaux sur le colza, à la ferme. Est-ce que vous pourriez me dire du moins à quel stade en est la recherche maintenant? Est-ce que nous avons terminé l'aspect, disons, comestible du produit en en supprimant le caractère toxique, etc.?

M. Migicovsky: Eh bien, il y a deux stades dans la recherche sur le colza. Le plus important n'est pas fait à Ottawa, mais à Saskatoon, où les généticiens sont en train de faire des progrès pour supprimer l'agent toxique de ces graines. En même temps, l'Institut des recherches sur les aliments a mis au point un système par lequel on peut produire la farine, supprimer la toxicité et obtenir un produit à haute teneur de protéine sans couleur. C'est un produit qui pourra—et j'insiste sur le mot «pourra»—devenir un produit alimentaire. Et, il reste beaucoup de travail à faire. Surtout le coût de ce procédé de production doit être aligné sur celui des autres aliments protéiques. Il faut aussi trouver un usage à cet aliment à haute teneur protéique. Je crois que nous envisageons le futur lorsque nous parlons en termes de carences protéiques dans le monde et qu'on se demande comment produire des aliments pouvant satisfaire à la demande mondiale.

À l'heure actuelle, les chercheurs confèrent avec les universités, les industries et tous veulent produire un produit commercialisable. Et, actuellement, on ne peut pas dire que ce sera un produit qui va être commercialisable.

M. Korchinski: Est-ce que vous pouvez faire des prédictions quant à la durée qu'il faudra encore pour que l'on puisse avoir des réponses à ces problèmes. Je pense, notamment, à ce qui se passe dans le domaine de la production du blé et de l'orge, des ventes, etc., et à la production de colza comme culture de remplacement. Je me demande si le travail effectué est suffisant et si nous en arriverons bientôt à savoir si ces problèmes qui semblent être très im-

portants, pourront être résolus.

M. Migicovsky: Comme vous le savez, le colza ne devient qu'une culture de remplacement. Bien sûr, le produit principal c'est l'huile. Le sous-produit, la

[Text]

country. The by-product, the meal, has been improved and is being improved by genetics to the point where it is making a very excellent protein supplement for cattle. A few years ago a big advance was made—the geneticists were able to remove erucic acid which was considered to have been an undesirable fatty acid present in the rapeseed oil. Now we have an erucic-free rapeseed, the acreage of which is growing and growing.

I think this is a very valuable crop to Canada and it has become valuable by virtue of the last 15 years of intensive research that has been going on. We produce it very effectively and very economically. It holds great promise.

Mr. Korchinski: In these experiments are you able to incorporate these qualities into the known varieties that you have or are you developing a new strain?

Dr. Migicovsky: That is correct; they become new varieties.

The Chairman: Gentlemen, I hesitate to limit the discussion, but I do have a number of others who wish to ask questions and as we are restricted to an 11 o'clock adjournment, would you be in a position, Mr. Korchinski, to terminate?

Mr. Korchinski: I have had a good go at it.

The Chairman: Thank you very much.

Mr. Thomson (Battleford-Kindersley): I have a question that is supplementary to Mr. Korchinski's.

The Chairman: All right, I will recognize Mr. Thomson.

Mr. Thomson (Battleford-Kindersley): Mr. Chairman, I am impressed with the research in rapeseed, but perhaps this question more properly might be directed to the Minister. In connection with what the Department has done in research, I wonder if this has been advertised in the industry itself? I am thinking of oil—the possibility of using rapeseed oil as compared to corn oil—for cooking purposes. In effect, how much work has the Department done in advertising the successes they have had in this industry or in the commercial field of our country.

Mr. Olson: I will ask Mr. Williams to comment on that subject. Very, very briefly and generally, of course, the Department of Industry does some of this promotional work and there are a number of instances that perhaps he can name for you. For example the Saskatchewan Wheat Pool did, in fact, take over the promotion of this in parts of Saskatchewan when some new varieties and some new techniques in processing came along.

[Interpretation]

farine, a été amélioré et est encore amélioré par la génétique au point où il peut être un complément protéique pour le bétail. Il y a quelques années, on a fait un énorme progrès lorsque les généticiens ont pu supprimer l'acide érucique. C'est un acide gras qui se trouve dans le produit de l'huile. Et, maintenant, nous avons un colza sans acide qui se cultive de plus en plus.

C'est là un produit qui, donc, est devenu très utile à la suite des 15 dernières années de recherche intensive. Il y a une conduction maintenant très utile, très efficace et qui est très prometteuse.

M. Korchinski: Eh bien, au cours de cette expérimentation, est-ce que vous êtes en mesure de mettre toutes ces qualités dans les variétés que vous avez déjà ou bien, est-ce que vous êtes en train de mettre au point une nouvelle variété?

M. Migicovsky: C'est exact. Ça devient une nouvelle variété.

Le président: Messieurs, je m'excuse d'interrompre votre discussion mais un certain nombre de membres veulent poser des questions et, comme vous le savez, on doit arrêter à onze heures, êtes-vous en mesure, monsieur Korchinski, de mettre fin à la discussion?

M. Korchinski: Je m'en suis donné à coeur joie.

Le président: Je vous remercie beaucoup.

M. Thomson (Battleford-Kindersley): Je voudrais ajouter quelque chose aux propos de M. Korchinski.

Le président: Très, bien, je vous donne la parole.

M. Thomson (Battleford-Kindersley): Je suis très impressionné par la recherche relative au colza, mais cette question devrait plutôt être posée au Ministre. En ce qui concerne les travaux de recherche du Ministère, j'aimerais savoir si cela bénéficie d'une certaine publicité dans l'industrie? Je pense par exemple à l'huile de colza par rapport à l'huile de maïs pour la cuisson, pour la cuisine par exemple. J'aimerais savoir si le ministère a fait de la promotion publicitaire sur les réussites qu'ils ont connues dans cette industrie ou dans le milieu commercial de notre pays.

M. Olson: Eh bien, je vais demander à M. Williams de nous faire quelques remarques mais très générales; bien sûr, le ministère de l'Industrie fait ce genre de promotion et il y a un certain nombre de cas qu'il pourrait nous énumérer. Par exemple, le «Saskatchewan Wheat Pool» s'est occupé de la publicité de cette variété dans certaines régions de la Saskatchewan alors qu'on a mis au point certaines nouvelles variétés et certaines nouvelles techniques.

[Texte]

Mr. Williams: In products such as this, when new varieties are developed, the procedure that is followed may differ somewhat depending upon the type of commodity, but the general procedure is that the varieties are made available to somebody whom we feel will do an effective job of promotion, development and distribution.

In this particular case, a contract was entered into with the Saskatchewan Wheat Pool, who showed a great deal of interest in this particular rapeseed, to undertake the development of seed stock and the actual growing and promotion of it. We engaged the services of the Department of Industry because it is an industrial crop with the result that the Saskatchewan Wheat Pool made arrangements to have people grow this under contract so that it would be available to them for full-scale testing in factories. The Department of Industry also made the necessary arrangements in respect of the industrial side of it, namely the processing in factories.

The Chairman: Mr. Lind, I believe has a supplementary.

Mr. Lind: I do not want to ask a supplementary, I would like to have an explanation of this term "man-years". I am very interested in knowing why this terminology is used, rather than the number of people who are involved. Is it the fact that a scientist may work half a year on, say, one cereal crop and then move over to another crop for half a year? Is it to break it down or do a specific number of hours of

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work per year represent one man-year? This is what I would like to know. It is a new term to me; I have never heard it used in industry. If this were explained, I think possibly we would have a better understanding of the number of employees and everything that is involved.

Mr. Williams: Thank you very much for that suggestion, Mr. Lind, I appreciate the fact that it is a different term and I am sorry I did not explain it earlier. A "man-year" is simply a term of convenience. We have basically four types of employees within the Department. We have full-time employees; we have seasonal employees; we have casual employees and we have, what are called, part-time employees. If we have authority for so many dollars for casual employees, for example, we could hire 365 people for one day—I should not say 365 because there are not 365 working days in the year. I think 240—odd working days represent a man-year.

We could hire theoretically 240 men for one day or we could hire one man for 240 days on casual employment. It is particularly useful for some of our farms,

[Interprétation]

M. Williams: Lorsque de nouvelles variétés dans ce genre de produits sont mises au point, la procédure suivie peut varier quelque peu selon la denrée mais disons qu'en général, les variétés sont mises à la disposition de quelqu'un qui d'après nous, pourra faire un bon travail de promotion, de développement et de distribution.

Dans ce cas particulier un contrat a été passé avec la Saskatchewan Wheat Pool qui s'est beaucoup intéressé à cette graine de colza, en vue d'entreprendre le développement possible de ces variétés, c'est-à-dire la culture proprement dite, ainsi que la promotion. D'autre part, nous nous sommes assurés les services du ministère de l'Industrie parce qu'il s'agissait surtout d'une culture industrielle et ce qui s'est passé c'est que le Wheat Pool de la Saskatchewan a pu passer des contrats à certaines personnes pour cultiver ces produits de telle sorte qu'ils puissent en faire les essais pour les usines. Le ministère de l'Industrie de son côté, qui a pris toutes les dispositions nécessaires en ce qui concerne l'aspect industriel c'est-à-dire le traitement des usines, etc. . .

Le président: Je crois que M. Lind a une question complémentaire à poser.

M. Lind: Ce n'est pas une question, je voudrais tout simplement connaître la signification du terme «années-homme»—j'aimerais savoir pourquoi on utilise ce nouveau terme plutôt que de mentionner le nombre de personnes. Est-il exact qu'un savant peut travailler six mois de l'année sur une culture puis passer à une autre culture le reste de l'année? Est-ce pour une répartition ou est-ce qu'un certain nombre d'heures de travail

représente une année-homme? C'est ce que je voudrais savoir. Voyez-vous, ce terme m'est tout à fait étranger; on ne s'en est jamais servi dans l'industrie. Cela nous permettrait de mieux comprendre le sujet, pourvu qu'on nous explique ce que ce terme veut dire.

M. Williams: Eh bien, je vous remercie beaucoup de cette suggestion, monsieur Lind. Et je comprends parfaitement qu'il s'agit d'un terme inhabituel et je m'excuse de ne vous l'avoir pas expliqué plus tôt. Le terme d'homme-année est simplement une question de pratique. Il y a généralement quatre genres d'employés au sein du Ministère. Il y a d'abord les employés réguliers à plein temps, les employés saisonniers, les employés occasionnels et nous avons ce qu'on appelle des employés à temps partiel. Si nous sommes autorisés de dépenser un certain montant d'argent pour tant d'employés occasionnels on pourrait embaucher 365 hommes dans l'année, en fait ce n'est pas 365 jours de travail—je crois que c'est quelque 240 jours de travail.

Donc, disons qu'en théorie on pourrait soit recruter 240 hommes qui travailleraient un jour chacun, nous pourrions embaucher un seul homme qui travaillerait

[Text]

stations and institutes, for example, during apple harvesting. It might be we would need a lot of men for one day, but the next day we would not need any and so forth.

So really what it does is put together all these different types of positions and if we say we have 10 man-years, by this we mean we have authority to hire 10 men for 240 days or whatever a year represents.

We also have seasonal people, for example, in our fruit and vegetable inspection. These are seasonal positions, but they are continuing positions in which the man may be hired only for five months every year. However he can come back to the same position the next year provided he has done a satisfactory job. This is quite different from the casual position which is usually filled by somebody from the local Manpower office.

The Chairman: Thank you. May I recognize Mr. Southam?

Mr. Southam: Mr. Chairman I would like to put a question to the Minister—it may be a matter of policy—concerning the topic that was introduced by Mr. Douglas earlier this morning on the over-all policy of research as far as the Department of Agriculture is concerned and as it relates to world conditions and changing conditions. I think we must agree that we are in serious difficulty here in Canada at the present time in many areas of agriculture and it concerns me when we have a cut-back in the budget for research with respect to this industry which could lead to a lot of trouble later on.

Would the Minister say whether he is satisfied, as far as the government is concerned, on this matter of economy and cutting-back in light of the circumstances. I am thinking of all the areas of scientific research, as they apply in Canada, compared with what they are doing in other countries. You are aware of what has happened recently in Japan where they have developed a technique of utilizing wheat for the production of a meat substitute.

Another example would be the tomato growers in Mexico. There are also the different grades of wheat that are being produced which are high in yield, but may be lower in protein content and so on. I am not too familiar with the types, but no doubt, you or your Department would be familiar with these grains which are being produced say, in Mexico and which are competing with our grains here and so on right across the whole field. I am concerned about this. Is it economic to cut-back?

Mr. Olson: Firstly, I would like to say, Mr. Chairman, that in terms of the number of people involved and actually working, it is not a cut-back, it is lack of growth. In other words, it prevents the expansion of the actual positions that were occupied and, indeed, functioning.

[Interpretation]

240 jours, ce qui serait un emploi occasionnel. Comme vous voyez, c'est très pratique surtout pour certaines de nos fermes, centres et instituts, spécialement durant la récolte. Un jour nous pourrions avoir besoin de plusieurs hommes, le jour suivant, aucun.

C'est-à-dire que ce système ne fait que grouper ces différents types de postes, et lorsqu'on nous dit «Vous avez 10 années-homme», cela veut dire que nous pouvons embaucher dix hommes pour 240 jours. Nous avons également les employés saisonniers, par exemple ceux qui travaillent pour l'inspection des fruits et légumes. Ces postes sont saisonniers et les titulaires travaillent sans interruption pendant disons cinq mois par année. Ces employés peuvent revenir l'année suivante, pourvu qu'ils aient fait un bon travail. Ces positions diffèrent de l'emploi occasionnel, lequel est pourvu par le service local de main-d'œuvre.

Le président: Merci. Monsieur Southam, vous avez la parole.

M. Southam: J'aimerais adresser une question au Ministre,—elle pourrait porter sur la politique,—au sujet de la question soulevée plus tôt ce matin par M. Douglas sur la politique globale de recherches du ministère de l'Agriculture par rapport à la situation internationale et aux conditions changeantes. Il faut reconnaître que nous avons en ce moment des difficultés assez graves au Canada dans plusieurs secteurs de l'agriculture et je constate avec inquiétude les réductions dans le budget de la recherche ayant trait à cette industrie, ce qui pourrait entraîner un tas de difficultés par la suite.

Le ministre peut-il nous dire s'il est satisfait de la politique actuelle du gouvernement en ce qui concerne les réductions du budget? Je pense particulièrement à tous les domaines de la recherche scientifique au Canada par rapport aux autres pays. Vous savez que le Japon a mis à point des techniques pour produire à partir du blé une denrée qui remplacerait la viande.

On pourrait citer en exemple les producteurs de tomates au Mexique. Il y a également les différentes variétés de blé dont le rendement est très élevé mais faible en protéine, et ainsi de suite. Je ne suis pas très au courant de ces variétés, mais peut-être que vous-même ou votre Ministère seriez plus au courant de ces graines qui sont cultivées au Mexique et qui font la concurrence de nos céréales. Voilà ce qui m'inquiète. Est-il vraiment économique de réduire le budget.

M. Olson: Tout d'abord, monsieur le président, j'aimerais dire qu'en ce qui concerne le nombre de personnes en cause, et qui travaillent, il ne s'agit pas d'une réduction, c'est plutôt un manque de croissance. En d'autres termes, elle empêche l'augmentation des postes disponibles qui étaient occupés et qui

[Texte]

In so far as the other very general question that you raised, I suppose there are programs that could be expanded. In fact, there could be expansion in almost every one of the research programs, there is no question in my mind about that, and perhaps, indeed very likely, something useful could come out of it but, of course, we have to live. I think, with the limitations.

Let me say, however, that as far as production technology is concerned, I think Canada compares very well with other nations. Indeed, we exchange technical personnel and information with almost all of the other nations of the world, and we certainly intend to continue evaluating all of these programs so that we stay competitive in respect of advancing technology.

To answer your question in the general terms you have outlined I think it would be very easy and perhaps desirable to expand some of the programs, but we have to live with some limitation and what we have laid out before the Committee is the limitation we are proposing for the ensuing year.

Mr. Southam: Thank you, Mr. Olson, for your answer. I still think it is a very important area in our whole economy. As we all know, agricultural products are the second largest source of income to Canada and we cannot afford under any circumstance to lag behind in developing improved varieties, improved techniques and so on right down the line. I should like to suggest to the Minister that he continue—I am sure he must be doing it at the present time—to put up the best fight he possibly can from within the Treasury Board to see that he gets an allocation of funds to maintain scientific research and development in so far as the Department of Agriculture is concerned. As I say, we will have to do this if we are even going to keep in step with progress in other parts of the world. That is all, thank you, Mr. Chairman.

The Chairman: Thank you, Mr. Southam. I recognize Mr. Roy.

M. Roy (Laval): Monsieur le Président, je pense qu'on étudie maintenant une question très importante, si on considère que la recherche est certainement la base de notre production et de notre agriculture. Je ne veux pas savoir quel est le nombre des employés du Ministère attachés au département de la Recherche, ni quel montant d'argent est destiné à la recherche. Ces questions ont été demandées et très bien répondues.

Mais, ce qui me fascine beaucoup, c'est que, par exemple au Canada, nous avons 9 universités qui font beaucoup de travaux de recherche. Je parle des facultés d'agriculture qui, je pense, reçoivent des subsides du fédéral ou du provincial. Il existe également des compagnies qui ont des fermes de recherche, ici au pays, et aussi aux États-Unis.

[Interprétation]

vraiment fonctionnaient bien. Pour ce qui est de l'autre sujet que vous avez soulevé, je suppose qu'il existe des programmes qui pourraient être élargis. En fait, on peut, sans aucun doute, élargir presque chacun des programmes de recherches et très probablement parvenir à quelque chose d'utile, mais évidemment il nous faut vivre avec les restrictions et les limitations qui nous sont imposées. Permettez-moi, toutefois, de dire ceci.

En ce qui concerne la production et la technique, le Canada, à mon sens, se porte très bien par rapport aux autres pays. Nous avons, en effet, beaucoup d'échanges de personnel technique et de renseignements avec presque tous les autres pays du monde. Nous avons l'intention de continuer l'évaluation de tous ces programmes pour que nous demeurions concurrentiels en ce qui concerne les progrès techniques. Mais pour répondre à votre question précise et dans les termes généraux que vous avez énoncés, je crois qu'il serait très facile, peut-être souhaitable aussi, d'étendre certains programmes, mais il faut nous restreindre à certaines limites et ce que nous avons exposé au Comité sont les limites que nous nous proposons de faire pour l'année à venir.

M. Southam: Je vous remercie, monsieur le Ministre, de cette réponse, mais je crois toujours que c'est un domaine très important dans notre économie. Nous savons tous que les produits agricoles sont la deuxième source de revenus au Canada et par conséquent nous ne pouvons pas nous payer le luxe de tirer de l'arrière. Pour continuer à améliorer les variétés, les techniques, etc. j'aimerais donc suggérer au Ministre qu'il continue et je suis sûr qu'il doit songer à l'heure actuelle de mener la meilleure lutte possible au sein du Conseil du Trésor pour essayer d'obtenir les fonds nécessaires pour maintenir la recherche et le développement en ce qui concerne le ministère de l'Agriculture. En fait, il faut le faire si nous voulons nous en tenir au pas avec le progrès accompli dans les autres parties du monde. C'est tout, monsieur le président.

Le président: Merci. Monsieur Roy.

Mr. Roy (Laval): Mr. Chairman, I think we are now studying a very important question, if we consider that research is certainly the basis for our production and our agriculture. I do not want to know the number of people within the Department who are attached to the Research Branch nor the amount of money devoted to research. I think these questions have been asked and good answers have been given.

What greatly fascinates me, is that, in Canada for instance, we have 9 universities doing a great deal of research work. I am referring to the Faculties of Agriculture, which receive, I believe, subsidies from the federal government or the provincial governments. There are also companies which have research farms, here in Canada, and also in the United States.

[Text]

Je me demande s'il y a une sorte de lien entre ces travaux de recherche effectués par le Ministère, ceux effectués par les universités et ceux effectués par des compagnies. Existe-t-il réellement un lien entre ces trois organismes qui font de la recherche très sérieuse? C'est ma première question.

Mr. Olson: Mr. Chairman, I think there is. Indeed we have establishments on the campuses of some of these universities; Laval is an example; the University of Manitoba is another example; the University of Saskatchewan; the University of British Columbia and so on. So there is a very close liaison with our Department. Indeed, there is a segment of our Department established right on the campuses of these universities. I think we exchange information on a continual basis about whatever research industry is doing.

There is one other point. We make grants from time to time to certain specific research programs that are going on within the universities; in some cases to specific programs and in other cases to a person who is carrying on a program that we are interested in. So I think there is very close co-ordination between the Research Branch of our Department and the universities, faculties of agriculture.

Mr. Roy (Laval): Merci, monsieur le Ministre. J'ai une autre question. Est-ce que cette recherche est réellement au service des producteurs? Car, il me semble que dans les différentes spécialités, soit dans l'agriculture, soit dans l'élevage des porcs ou soit dans l'industrie laitière, nous avons énormément de travaux de recherche qui sont assez concluants, mais qui demeurent sur les tablettes de nos chercheurs. A titre d'agronome, j'ai travaillé dans le secteur agricole et, bien souvent, on découvrirait, dans le domaine des engrais chimiques, des choses assez simples qui existaient sûrement, mais qui n'étaient pas parvenues au niveau du producteur.

Je me demande si, avec les méthodes d'information, on ne pourrait pas s'approcher davantage du cultivateur et du producteur, de façon à ce qu'ils connaissent réellement les conclusions de ces travaux de recherche. Par exemple, dans l'industrie laitière, la moyenne de la production dans la province de Québec est encore au-dessous de 6,000 livres de lait. Dans le domaine de l'élevage des porcs, il y a encore 20 p. 100 des porcs qui ne se rendent pas sur le marché, ou même au sevrage. Nos éleveurs perdent donc des sommes considérables d'argent.

Peut-être devrions-nous penser à orienter davantage notre budget de façon à pouvoir transmettre les informations de recherche au niveau des producteurs et permettre l'application des résultats de ces recherches, quel que soit le domaine de production.

Mr. Olson: In reply, Mr. Chairman, I think it has always been so and probably will be for some time and

[Interpretation]

I therefore wonder whether there is any link between the research work done by the Department, and research being carried out by the universities as well as that being carried out by companies. Is there really any link between these three organizations which carry out very advanced research? That is my first question.

M. Olson: Je crois qu'il y en a effectivement. En effet, nous avons une partie de nos établissements ou de notre effectif dans les campus universitaires, l'Université Laval, par exemple, l'Université du Manitoba, est un autre exemple, l'Université de la Saskatchewan, l'Université de la Colombie-Britannique, etc., et par conséquent il y a une liaison, un lien très étroit avec notre ministère. En fait, il y a une partie de notre ministère qui se trouve même sur les terrains universitaires. Il y a un échange de renseignements continuels en ce qui concerne les recherches que font l'industrie.

Il y a un autre point aussi et c'est que nous donnons des subventions de temps à autre pour certains programmes de recherche très précis qui se font dans les universités; pour des programmes très précis dans certains cas et aussi à certaines personnes qui font de la recherche qui nous intéresse dans notre ministère. Je crois donc qu'il y a une très bonne coordination entre la Direction de la recherche de notre ministère et les facultés d'agriculture dans les universités.

Mr. Roy (Laval): Mr. Minister, I have another question. Is this research really in the Service of the producers? Because, it seems to me that we have, in the different specialties, whether in agriculture, in the dairy industry or in hog raising, a great deal of research work that is fairly conclusive, but which remains on the shelves of our researchers. As an agronomist, I worked in the agricultural sector and very often when dealing with chemical fertilizers, we discovered fairly simple things which certainly existed already, but which had not reached the level of the producer.

I wonder whether, with our methods of information, we could not get closer to the farmer and to the producer, so that they could be informed of the conclusions arrived at in research? For instance, in the dairy industry, the average production in the province of Quebec is still below 6000 lbs. of milk. In the hog industry, 20 per cent of the hogs do not even get to the market, or do not even get weaned. Therefore, our producers are losing considerable sums of money.

We should be thinking perhaps of directing our budget a little bit more to transmitting research information to the level of producers and to make it possible to apply the results of this research in no matter what field of production.

M. Olson: En réponse à cela, Monsieur le Président, je crois que cela a toujours existé et existera pour

[Texte]

that does not say we should not try to take steps to correct it. There is a time lag between the research findings and recommendations, and the actual practice application of those recommendations. You mentioned the dairy and hog industries; I could name several other areas of research activity where it is completely clear to me, or at least I am completely persuaded, that the findings and recommendations of the research stations have brought forth something that could be applied very profitably at the practical level. In some cases there is a very serious time lag—several years as a matter of fact—that we hope we can improve on.

On page 12 you will notice that we are proposing to spend \$1,123,000 in the Information Division. This constitutes something like 79 man-years and includes disseminating the information, much of which is from the Research Branch of the Department. Of course, there are the provincial departments of agriculture and their district agriculturists who are involved in extension work. We are not involved in that at the present time but our Information Division and our research establishments wherever they are, try to be as helpful and co-operative as they can with the field men the provinces have for doing this kind of extension work.

It is not completely satisfactory; I do not suppose there ever will be immediate application of the recommendations coming out of the Research Branch.

But we try to disseminate this information and encourage its use at the practical level just as quickly as possible.

M. Roy (Laval): Monsieur le président, j'ai une dernière question, concernant un sujet d'actualité. Nous avons une grosse campagne sur les dangers de la cigarette. Je pense que cette campagne va certainement entraîner une demande plus grande pour les cigares. J'ai ici une lettre concernant la production des cigares dans la province de Québec, qui représente, je crois, 85 p. 100 de la production totale au pays. Je me demande si le Ministère a l'intention de se pencher sur cette lettre qui a été envoyée, je crois au docteur Hamilton. C'est une lettre qui date déjà de quelque temps, mais qui a été envoyée le 18 février. C'est au sujet de l'étude possible sur la production du tabac à cigare à la ferme expérimentale de l'Assomption. Nous devrions regarder et considérer cette demande. Je pense qu'au point de vue de recherches, nous avons diminué le personnel de la station expérimentale de l'Assomption. Alors puis-je demander qu'on reconsidère ce mémoire, préparé il y a déjà quelques années qu'on a envoyé le 18 février à M. Hamilton.

Ma dernière question concerne toujours la culture maraîchère. Dans le budget que l'on nous présente, je ne sais pas quelle est la somme prévue pour la recher-

[Interprétation]

longtemps à venir, mais cela ne veut pas dire que nous ne devrions pas prendre les mesures voulues pour le corriger. Il s'agit de l'écart de temps qui existe entre les recherches et l'application pratique des recommandations qui en résultent. Vous avez mentionné l'industrie laitière et l'industrie du porc; je pourrais mentionner plusieurs autres domaines de recherche, ou activités de recherche où il m'est très évident, du moins moi je suis personnellement convaincu que les résultats et les recommandations formulées par les stations de recherche ont donné quelque chose qui pourrait être appliqué facilement et pratiquement, mais parfois il y a un très long retard, des années même.

Nous espérons pouvoir améliorer cette situation, mais à la page 12 vous remarquerez que nous nous proposons de dépenser un million cent vingt-trois milles dollars dans la Division de l'information. Cette dépense représente environ 79 années-homme et comprend la diffusion des renseignements, et vient en grande partie de la Direction de la recherche du ministère. Évidemment il associe les ministères provinciaux de l'Agriculture ainsi que les agronomes régionaux qui font des travaux exhaustifs. À l'heure actuelle nous ne sommes pas engagés dans ce domaine, mais notre Division de l'information et nos établissements de recherches, où qu'ils se trouvent, essaient d'être utiles et aussi coopératifs que possible pour les agronomes de la province qui font ce travail.

Ce n'est pas satisfaisant; j'ai l'impression qu'il n'y aura peut-être jamais une mise en oeuvre immédiate des résultats de la recherche.

Nous essayons de transmettre ces renseignements et d'en favoriser l'emploi pratique le plus tôt possible.

Mr. Roy (Laval): My last question now, Mr. Chairman, is on a very current topic. There is a tremendous campaign on, dealing with the hazards of cigarette smoking. I think that this campaign is certainly going to result in a greater demand for cigars. I have a letter here with regard to cigar production in Quebec, which represents, I believe, 85 per cent of total production of the country. I wonder whether the Department intends to study this letter that was sent to Dr. Hamilton, I believe. This is a letter that was written quite some time ago, but which was sent on February 18. It deals with the possible study of cigar tobacco production at the experimental farm at l'Assomption. We should consider this request. I think that from the point of view of research, we have reduced the staff at the Experimental Farm at l'Assomption. Could I ask that this brief which was prepared some years ago and which was sent on February 18 to Mr. Hamilton, be reconsidered?

My last question is still concerning market gardening. I do not know, in the budget which is new before us, what amount is provided for research in the field

[Text]

che dans le domaine de la culture maraîchère, et plus précisément aux stations expérimentales de St-Jean et de Ste-Clothilde.

Je voudrais connaître la situation de la recherche sur la production des légumes, soit en terre noire soit dans des sols minéraux. J'ai déjà mentionné que, dans la région de Montréal, près de la métropole du Canada, il y existe un potentiel de terre organique de plus de cinquante milles acres. Et je pense qu'on étudie encore la cartographie des sols.

C'est parfait, mais il y a actuellement un potentiel existant là-bas, et je me demande si nous ne pourrions pas consacrer une certaine somme, par exemple à la création d'un nouveau complexe visant justement à exploiter le potentiel qui existe.

Mr. Olson: Mr. Chairman, may I ask Dr. Woodward to deal with this question?

Dr. Woodward: Mr. Chairman, our Assistant Director General Eastern, Dr. Hamilton, is working with the group interested in promoting the production of cigar tobacco in L'Assomption area. At St. Jean one of our main problems has been the question of obtaining adequate staff for the Research Station and we are certainly using all available resources towards the backup research for the vegetable industry. The limitation here has been, perhaps, even more the availability of real specialists in vegetable crops than in the resources to carry out the program.

The Chairman: Thank you, Dr. Woodward.

M. Roy (Laval): Cela signifie-t-il qu'il y a manque de personnel ou un manque de ressources?

Dr. Woodward: Mr. Chairman, we lack trained people because we have been prepared for several years to deploy financial resources to St. Jean, Quebec, at the same pace as trained people became available, but, as you know, Mr. Chairman, there has been a tremendous increase in the utilization of professional people in the Province of Quebec at the university, in the provincial department and for some of the programs under ARDA. Consequently, we are faced with a serious shortage of mature specialists in the province.

The Chairman: I have the following names on my list, Mr. Gleave, Mr. Thomson, Mr. Cobbe and Mr. Moore. Mr. Lind has indicated he wishes to ask a supplementary. I will permit a single supplementary, Mr. Lind.

● 1045

Mr. Lind: I am interested in how we motivate these people to do research in small vegetable gardens and so on. How do we motivate them? In industry if they are no good they are fired. What do you do with them?

[Interpretation]

of market gardening, and more specifically to the experimental farms at St. Jean and Ste. Clothilde.

I would like to know what the situation is regarding research on vegetable production in black soil or in mineral soil. I have already mentioned that in the Montreal area, near the metropolis of Canada, there is a potential of over 50,000 acres of organic soil. And I think that the soil maps are still being studied.

This is fine, but right now there is an existing potential out there, and I wonder whether we could not devote a certain amount of money, for instance, in order to create a new system to develop that potential.

M. Olson: Est-ce que je pourrais demander au Dr. Woodward de traiter de cette question?

M. Woodward: Notre directeur régional de l'est le Dr. Hamilton, travaille dans les intérêts du groupe qui veut promouvoir la production du tabac à cigares dans la région de l'Assomption. Evidemment, un de nos principaux problèmes à St-Jean a été la question d'obtenir le personnel voulu pour notre centre de recherches en horticulture. Nous employons toutes les ressources qui nous sont disponibles pour appuyer la recherche qui se fait dans le domaine des légumes. Il y a des limites ici et c'est le fait que nous n'ayons pas de spécialistes dans les récoltes légumineuses, ainsi que les ressources voulues pour le programme.

Le président: Merci beaucoup, M. Woodward.

Mr. Roy (Laval): Does that mean that there is a lack of staff or a lack of resources?

M. Woodward: Nous manquons de personnel formé car depuis plusieurs années, nous avons été prêts à donner les ressources voulues à St. Jean au fur et à mesure que nous avions le personnel qualifié voulu. Mais vous savez, monsieur le président, il y a eu une augmentation considérable de personnel formé et professionnel dans la province de Québec, à l'université, auprès du ministère provincial et aussi pour les programmes de l'ARDA, et par conséquent, il y a des lacunes très graves en ce qui concerne les spécialistes formés dans la province.

Le président: Les noms de M. Gleave, M. Thomson, M. Cobbe et de M. Moore sont inscrits sur la liste. M. Lind désire poser une question supplémentaire. Une seule question supplémentaire M. Lind vous sera permise.

M. Lind: Ce qui m'intéresse, c'est de savoir comment nous pouvons motiver les gens pour faire des travaux de recherches dans les domaines des petits jardins de légumes? Comment les motiver? Dans l'industrie, s'ils

[Texte]

Dr. Woodward: Mr. Chairman, I think we have a very small percentage of mediocre people. However, I would say that in the case of someone who has not become motivated to research the problems in the field to which we wish to contribute, one of the tools we use is to starve him to death. He does not get any merit increases. Another is that we do our best to assist him to find employment where his talents and interests would be used to better advantage. There is always a small percentage of staff for whom we would be very pleased to find other employment, but I do not believe this is a serious problem in the Research Branch.

Mr. Williams: If I could comment further on this, I think I should point out that we do have available to us within the Research Branch probably the best system that is possible in respect of the motivation of research people, if they can be motivated by dollars and I am sure that most people can, by having every research position in the Research Branch essentially open-ended. A man, if he is a research officer, does not have to be promoted to another position with increased responsibility. How he advances in terms of salary and in terms of level, depends almost entirely on his own ability and not on the fact of where he is or in what particular line of work he is engaged.

The Chairman: Mr. Gleave.

Mr. Gleave: Mr. Chairman, I asked the other day for the amount of contributions that were made by governments and organizations to the Agricultural Economics Research Council of Canada to which we contribute \$50,000 because this is supposed to be a shared grant. Do you have that information?

Mr. Williams: I am sorry, I was not at the last meeting. I thought this information had been given at that time, but we certainly have it, Mr. Gleave. If it was not given at the last meeting—

Mr. Gleave: I was not at the last meeting.

Mr. Williams: Neither was I, unfortunately. I checked this morning and I understood they had given that information, but obviously they did not.

The Chairman: Would you repeat the question. I am afraid the Chairman . . .

Mr. Gleave: I asked at the meeting a week ago on Tuesday what the matching contributions were from

[Interprétation]

ne sont pas satisfaisants, nous les congédions; que faisons-nous au ministère?

Dr. Woodward: Monsieur le président, je crois que nous avons un très petit pourcentage de personnel médiocre mais je dirais toutefois que, dans le cas de personnes qui ne sont pas motivées pour faire des recherches sur le problème et qui pourraient peut-être contribuer à y trouver une solution, une des deux solutions, c'est qu'il n'obtient pas d'augmentation de traitement, et, par conséquent, il finit par être affamé; deuxièmement, on suggère qu'il essaie de trouver un emploi où ses talents seraient mieux exploités. Il y a toujours un petit pourcentage du personnel pour lequel nous serions très heureux de pouvoir trouver un autre emploi, mais je ne crois pas qu'il s'agisse vraiment d'un gros problème à la Direction de la recherche.

M. Williams: Je pourrais peut-être ajouter un autre mot, je devrais peut-être dire que nous avons à notre disposition à la Direction de la recherche un système qui est probablement le meilleur en ce qui concerne la motivation des chercheurs. S'il y a un moyen de le faire grâce à des dollars, la plupart des gens sont motivés, d'ailleurs. Les postes de chercheurs à la Direction de la recherche, n'ont pas de plafond. Un chercheur ne doit pas nécessairement monter en grade, avec une augmentation des responsabilités. Son avancement, quant au niveau et au salaire, dépend uniquement de ses capacités et non pas d'où il se trouve ni de la sorte de travail qu'il fait.

Le président: Monsieur Gleave.

M. Gleave: Monsieur le président, j'ai posé une question l'autre jour au sujet du Conseil de recherches en économie rurale, du Canada, pour lequel nous avons contribué cinquante mille dollars; j'ai demandé quelles étaient les subventions versées, par les gouvernements et les organismes, puisqu'il s'agissait d'une subvention partagée. Avez-vous ce renseignement maintenant?

M. Williams: Je m'excuse, mais je n'étais pas à la dernière assemblée, et j'avais l'impression qu'on vous avait répondu à la dernière réunion, mais nous avons certainement le renseignement si vous ne l'avez pas eu, monsieur Gleave.

M. Gleave: Je n'étais pas à la dernière réunion.

M. Williams: Moi non plus malheureusement; j'ai vérifié ce matin, et j'ai cru comprendre qu'on avait donné le renseignement mais apparemment on ne l'a pas donné.

Le président: Pourriez-vous répéter votre question?

M. Gleave: J'avais posé une question à la réunion de mardi dernier, en ce qui concernait le Conseil de

[Text]

the provincial governments, from agricultural co-ops and industry in regard to the Agricultural Economics Research Council of Canada to which we contribute \$50,000.

Mr. Williams: I was assured this morning that that information had been given, but I will make a point of checking and will supply you with a copy of it immediately, Mr. Gleave, if that is suitable to you.

The Chairman: I believe Mr. Grier reported on that at last week's meeting.

Mr. Williams: He told me this morning that he had reported on it.

Mr. Gleave: Could it be included in the proceedings?

The Chairman: It is in the proceedings.

Mr. Gleave: All right. I am also interested in the report of Economic Council of Canada where it pointed out there was a serious lack of researchers in the grain industry and when we were discussing the tailend estimates here earlier I think it was mentioned that there were something like six full-time agronomists or research men in grain in Western Canada. This figure might be right or wrong, but I would like to know if it is proposed to increase the number of researchers or man-hours, as it is put now, in grain research in the Prairie region.

Mr. Williams: Yes, we are giving increased resources this year to cereal breeding. The researchers, to which you were referring, Mr. Gleave, I believe, were the people directly involved in wheat breeding in the Prairie Provinces. The total number of people involved in cereal breeding projected for the year under discussion, 1969-70, is 61 full-time professional man-years for Canada as a whole. Those figures are not comparable, as I think you will appreciate, because they only apply to wheat in certain of the Western Provinces, I believe.

Mr. Gleave: What percentage of an increase will this be over the last year? Can you come close on that?

Dr. Migicovsky: For 1969-70, the percentage will be relatively small because, obviously, the situation is fairly fixed.

[Interpretation]

recherches en économie rurale. Nous y contribuons cinquante mille dollars; alors j'ai demandé quelles étaient les contributions des gouvernements provinciaux des coopératives et de l'industrie?

M. Williams: On m'a assuré ce matin que ces renseignements avaient été donnés, mais je vais certainement m'occuper d'obtenir le renseignement et vous en faire parvenir copie immédiatement, si cela vous convient, monsieur Gleave.

Le président: Je crois que M. Grier a fait rapport à ce sujet la semaine dernière.

M. Williams: C'est ce qu'il m'a dit ce matin.

M. Gleave: Est-ce qu'on pourrait l'insérer dans le compte rendu?

Le président: C'est déjà compris dans le compte rendu.

M. Gleave: Très bien. Un autre domaine qui m'intéresse, c'est que le rapport du Conseil économique du Canada a souligné qu'il y avait un manque de chercheurs dans l'industrie des céréales. Lorsque nous avons discuté les derniers articles des prévisions budgétaires ici il y a peu de temps, on a vu qu'il y avait six agronomes ou chercheurs à plein temps dans le domaine des céréales dans l'ouest du Canada. Ce chiffre est peut-être exact ou inexact, mais ce que je voudrais savoir, c'est si l'on se propose d'augmenter le nombre de chercheurs ou les heures-hommes comme on l'exprime à l'heure actuelle dans le domaine des recherches sur les céréales dans la région des Prairies.

M. Williams: Oui, en effet, nous accordons des ressources accrues cette année pour l'hybridation des céréales. Les chercheurs que vous avez mentionnés, Monsieur Gleave, je crois, étaient les gens qui étaient directement intéressés à l'hybridation du blé, mais le total projeté des chercheurs dans le domaine des

céréales, pour l'année en cause, 1969-1970, est de 61 années-hommes à plein temps pour le Canada dans son ensemble. Évidemment, il n'y a pas moyen de faire la comparaison car, je crois, cela s'applique uniquement au blé dans certaines des provinces de l'Ouest.

M. Gleave: Et quel sera le pourcentage d'augmentation sur l'année dernière? Pouvez-vous me donner une idée de cela?

M. Migicovsky: Pour l'année 1969-1970, le pourcentage sera plutôt restreint; la situation étant fixe comme vous le savez, nous avons une révision continue du programme.

[Texte]

As you are aware, we undergo a program review continuously and in the program review being undergone at present the co-ordinators of the Research Branch are projecting an increase of approximately four to six professionals into this area to try to combat the pressures that are upon us in the cereal field, particularly wheat.

Mr. Gleave: I see.

The Chairman: You have a supplementary, Mr. Roy? Are you agreeable Mr. Gleave?

M. Roy (Laval): M. le Président, pourrions-nous connaître les budgets votés pour chacune des fermes expérimentales du pays?

Mr. Williams: I think it might be better if we tabled this information in tabular form. It is quite a long table and I think it would be difficult to explain.

The Chairman: It will be presented at our next meeting.

Mr. Gleave: I have another question in this research field. I believe I noted that you were transferring the fur farming experimental station from Prince Edward Island to Ottawa. If this is correct, is it the policy to transfer this sort of research into the centre of the nation? I think it would provide employment in that area and it seems to me it would be a natural place to carry on that type of work.

The Chairman: Mr. Williams.

Mr. Williams: The policy is not to transfer in or to transfer out; it depends entirely upon the subject matter. The difficulty in respect of fur bearing animal research is that it is a rather small operation in our total operation. Having it located where it was the number of professional man-years available for this particular function were such that it really meant there was too much isolation. It was not possible to provide the backup services of associated scientists in the fields of genetics, physiology and so forth to complement the work of the fur research specialists. Therefore, it was decided we would have a much more efficient operation and would be able to provide better service by moving it to the animal research centre here where these backup services would be available.

Mr. Gleave: With regard to rapeseed, I am interested in the program you have of developing better varieties which are free of certain undesirable acids and so on. Should we not be considering a program of segregation? It seems to me that once we have developed the variety then if we are going to get the maximum benefit from a variety that is free of undesirable characteristics we should be thinking in terms of segregating this in fields with an inspection system. If

[Interprétation]

Nous sommes en train de revoir le programme à l'heure actuelle et les coordonnateurs de la Direction de la recherche s'attendent à une augmentation d'environ 4 à 6 diplômés dans ce domaine pour essayer de lutter contre les pressions dans le domaine des céréales, tout particulièrement dans le domaine du blé.

M. Gleave: Je vois.

Le président: Une question supplémentaire pour M. Roy; êtes-vous d'accord monsieur Gleave?

Mr. Roy (Laval): Mr. Chairman, could we know the appropriations that have been voted for each of the experimental farms throughout the country?

M. Williams: Ce serait peut-être préférable que nous déposions ces chiffres sous forme de tableau; c'est plutôt long.

Le président: Nous pourrions l'avoir pour notre prochaine réunion.

M. Gleave: Une autre chose dans le domaine des recherches; je crois que vous avez transféré la station expérimentale de recherches en fourrures de l'Île-du-Prince-Édouard à Ottawa! Si c'est exact, est-ce votre politique de transférer ce genre de recherches vers le centre du pays? Je pense qu'on assure ainsi des emplois. Il me semble que ce serait donc normal et naturel de laisser ce genre d'exploitation où ils sont.

Le président: Monsieur Williams.

M. Williams: La politique n'est pas de transférer ici ou ailleurs, mais tout dépend du genre de recherches. La difficulté, en ce qui concerne la recherche sur les animaux à fourrure, c'est que la recherche est plutôt restreinte par rapport à la totalité de notre exploitation, et alors, le nombre donné d'années-hommes de la catégorie professionnelle disponible pour cette fonction était tel qu'il y avait trop d'éparpillement; il n'était donc pas possible d'assurer les services analogues ou connexes dans les domaines de la génétique, de la physiologie, etc... pour assurer un complément aux spécialistes de la recherche sur les animaux à fourrure; par conséquent, nous avons trouvé que l'opération serait beaucoup plus efficace, que nous pourrions offrir de meilleurs services, si nous transférions ces services à Ottawa, où nous avons les services connexes.

M. Gleave: En ce qui concerne le colza, je m'intéresse beaucoup au programme que vous avez, à l'heure actuelle, en vue de développer une meilleure espèce qui ne contiendrait pas d'acides indésirables. Est-ce que nous ne devrions pas étudier la possibilité d'avoir un programme de sélection? Il me semble qu'une fois une variété développée, si vous voulez en tirer le meilleur parti possible, et avoir une variété qui est libre de toutes caractéristiques indésirables, ne devrions-nous

[Text]

a farmer begins to grow this variety, he is going to have to stick with this variety. Also should we not be keeping it pure in our handling system? Where do we get the advantage when this goes into the grain handling system?

There is nothing now to stop it from being mixed with undesirable varieties. What thought has been given to this?

Mr. Williams: There has been a great deal of thought given to that, Mr. Gleave. We are doing our best, working with the Canadian Seed Growers' Association to develop a program exactly along the lines you have suggested.

Mr. Gleave: That is, of field inspection and segregation right through the handling system?

Mr. Williams: That is right, and contract growing in specified areas.

Mr. Gleave: You would be looking to assist a farmer if he were going to use this seed because he would have to use this variety exclusively?

● 1055

Mr. Williams: I am afraid I cannot comment on the details of the program, but conceptually that is exactly what we are trying to do.

Mr. Olson: If I may add, Mr. Chairman, what the techniques or the mechanics of applying the system may be needs, of course, to be worked out. We hope we can work out a way of being able to offer our customers what they want in wheat; protein content, for example, is one thing, and there are many other things. The factors involved in doing that, such as varieties, is very important. Also, the area where the grain is being grown is a very important factor, regardless of the variety.

The techniques and the mechanics of actually doing it are not completely clear but we think we would be in a better selling position if, in fact, we were able to offer some more specific quality factors and were able to guarantee it to our customers.

Mr. Gleave: I have one final question on another subject. Is biological research for pest control being given any more emphasis than it has received in the past or is it still quite a small area of research within the Department?

Mr. Olson: I will ask Dr. Woodward or Dr. Migicovsky to comment on that. However, it is growing. Last week for example, we were in Summerland, B.C. and officially opened the new facility there for biological control of the codling moth. A massive

[Interpretation]

pas songer à la sélection de ces variétés par un système d'inspection? Par conséquent, si le cultivateur a l'intention de s'adonner à cette culture, il devrait se limiter à cette variété; et alors, ne devrions-nous pas en assurer la pureté? Où se trouve l'avantage une fois lorsque ces semences sélectionnées tombent aux mains de l'industrie des semences. Il n'y a rien qui empêche que ces semences soient mélangées aux variétés indésirables. Quelles sont les mesures prises dans ce cas?

M. Williams: Nous y songeons sérieusement, M. Gleave, et nous faisons de notre mieux en collaboration avec l'Association canadienne des producteurs de semences pour travailler dans ce sens.

M. Gleave: Par conséquent, une inspection sur place et la sélection à travers le système de distribution...

M. Williams: Oui, et aussi la culture de semences donnée à contrat dans des régions précises.

M. Gleave: Et alors, en ce qui concerne l'assistance aux cultivateurs, devant utiliser ces semences aux fins qu'ils emploient cette variété exclusivement?

M. Williams: Je ne peux pas vous donner les détails du programme, mais c'est l'idée générale.

M. Olson: Est-ce que je pourrais ajouter, monsieur le président, que ce sont des techniques où le mécanisme du système doit encore être mis au point. Mais nous espérons pouvoir offrir à nos clients ce qu'ils désirent en fait de blé. La teneur en protéine, par exemple, il y a aussi plusieurs autres facteurs. Évidemment, la variété est très importante, mais, la région où on cultive les semences est aussi très importante, quelle que soit la variété. En ce qui concerne les techniques, le mécanisme de culture, ce n'est pas encore tout à fait au point. Mais nous croyons être éventuellement dans une meilleure position pour vendre nos produits si nous avions à offrir une meilleure qualité et des garanties à nos clients.

M. Gleave: Une question sur un autre sujet, maintenant. En ce qui concerne la recherche biologique pour les pesticides, est-ce qu'on insiste un peu plus que par le passé, ou est-ce que c'est toujours un domaine limité de la recherche au sein du Ministère?

M. Olson: Je demanderais à M. Woodward ou à M. Migicovsky de commenter... Il y a cependant toujours progrès. La semaine dernière, nous étions en Colombie-Britannique, et nous avons inauguré officiellement les installations de recherches biologiques

[Texte]

experiment at commercial level is being conducted there now to find out whether controlling the moth by this method will be successful. There may be some other areas which I am not familiar with where pest control research is going ahead.

Dr. Migicovsky: There is a continuing program in terms of this type of control. Obviously biological control itself is a term that is not being used any more because we are striving for what is called an integrated control or the kind of control that utilizes both biological and chemical parameters to reduce the amount of chemical and take advantage of existing biological qualities or properties in order to control the pest population.

This is not a small area of research in the branch; it is reasonably large. The institute at Belleville is devoted to this area and we have entomology groups throughout the country, at Ottawa, Saskatoon, St. Jean and other areas where this forms a part of the particular program. As you are aware, a great deal of basic knowledge must be obtained before we can effectively use this kind of control technique.

The Chairman: Gentlemen, I apologize to those who are still on my list and who have not been recognized; they will be recognized at the beginning of Thursday's meeting.

Shall item 5 stand?

Some hon. Members: Agreed.

The Chairman: There will be a meeting of the steering committee this afternoon at three o'clock. The meeting is adjourned to the call of the Chair.

[Interprétation]

à Summerland. Ce qui se fait là-bas, à l'heure actuelle, c'est une grande expérience au niveau commercial pour savoir si on réussira à enrayer l'épidémie de lépidoptères. Il y a peut-être d'autres régions que je ne connais pas où des recherches sur les pesticides sont menées à bien.

M. Migicovsky: Le programme est à long terme, et, évidemment, le contrôle biologique ne serait pas, à l'heure actuelle, dans le sens que nous essayons d'obtenir ce que vous appelez le contrôle intégré ou le genre de contrôle qui emploie aussi bien les moyens biologiques que les moyens chimiques pour réduire la somme des produits chimiques et profiter de l'aspect biologique du milieu pour contrôler les parasites.

Ce n'est pas un domaine de recherches restreint au sein de la direction, au contraire. L'Institut de Belleville se consacre uniquement à ces travaux. Nous avons des groupes d'entomologistes à travers le pays, à Ottawa, à Saskatoon, à St-Jean et dans d'autres régions. Tout cela fait partie de ce programme; comme vous le savez, il faut obtenir un grand nombre de renseignements, avant de pouvoir, de façon efficace, employer ce genre de techniques d'éradication.

Le président: Messieurs, je m'excuse, à l'égard de ceux qui n'ont pas eu la parole aujourd'hui; ils pourront parler à la réunion de jeudi. Est-ce que le vote 5 est réservé?

Des voix: Oui, d'accord.

Le président: Il y aura une réunion du comité sous-directeur cet après-midi à trois heures. La séance est levée jusqu'à nouvel avis.

OFFICIAL BILINGUAL ISSUE

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HOUSE OF COMMONS

CHAMBRE DES COMMUNES

First Session

Première session de la

Twenty-eighth Parliament, 1968-69

vingt-huitième législature, 1968-1969

STANDING COMMITTEE

COMITÉ PERMANENT

ON

DE

AGRICULTURE

L'AGRICULTURE

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Mr. Bruce S. Beer

Président

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MINUTES OF PROCEEDINGS

AND EVIDENCE

UNIVERSITY OF TORONTO

PROCÈS-VERBAUX ET
TÉMOIGNAGES

No. 27

THURSDAY, MARCH 20, 1969

LE JEUDI 20 MARS 1969

Respecting

Concernant

Estimates (1969-70) relating to the
Department of Agriculture

Budget des dépenses de 1969-1970 concer-
nant le ministère de l'Agriculture

Appearing:

A comparu:

Minister of Agriculture

Hon. H. A. Olson

Ministre de l'Agriculture

WITNESSES—TÉMOINS

(See Minutes of Proceedings)

(Voir les procès-verbaux)

The Queen's Printer, Ottawa, 1969
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STANDING COMMITTEE ON
AGRICULTURE

COMITÉ PERMANENT DE
L'AGRICULTURE

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Mr. Bruce S. Beer

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Vice-Chairman

M. Marcel Lessard

Vice-président

and Messrs.

(Lac-Saint-Jean)

et MM.

Clermont,
Cobbe,
Côté (*Richelieu*),
Danforth,
Douglas (*Assiniboia*),
Foster,
Gauthier,
Gleave,
Horner,
Korchinski,

Lambert (*Bellechasse*),
LaSalle,
LeBlanc (*Rimouski*),
Lind,
McBride,
McKinley,
Moore (*Wetaskiwin*),
Muir (*Lisgar*),
Peters,
Pringle,

Roy (*Laval*),
Smith (*Saint-Jean*),
Smerchanski,
Southam,
Thomson (*Battleford-Kindersley*),
Whelan,
Whicher,
Yanaklis—30.

Le secrétaire du Comité,

Michael A. Measures

Clerk of the Committee.

[Text]

MINUTES OF PROCEEDINGS

THURSDAY, March 20, 1969.
(30)

The Standing Committee on Agriculture met at 9.43 a.m. this day, the Chairman, Mr. Beer, presiding.

Members present: Messrs. Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas (*Assiniboia*), Foster, Gleave, Korchinski, LeBlanc (*Rimouski*), Lind, McBride, McKinley, Moore (*Wetaskiwin*), Pringle, Roy (*Laval*), Smith (*Saint-Jean*), Southam, Thomson (*Battleford-Kindersley*), Whicher—(20).

Appearing: The Honourable H. A. Olson, Minister of Agriculture.

Witnesses: From the Department of Agriculture: Mr. S. B. Williams, Deputy Minister; Dr. J. C. Woodward, Assistant Deputy Minister (Research); Dr. B. B. Migicovsky, Director General, Research Branch.

On the matter of the Committee's travel to western Canada, the Chairman presented the Fourth Report of the Subcommittee on Agenda and Procedure as follows:

Your Subcommittee recommends the following draft itinerary as a plan:

Wednesday, April 9, 1969

Air travel to Edmonton

Thursday, April 10, 1969

Morning Hearings in Edmonton hotel

Afternoon Visit to University Experimental Farm at Kinsella—cattle breeding, feeding, etc.

Friday, April 11, 1969

Morning & Afternoon Bus from Edmonton to Lacombe Experimental Farm for tour and lunch. Bus to Calgary.

[Traduction]

PROCÈS-VERBAL

Le JEUDI 20 mars 1969
(30)

Le Comité permanent de l'Agriculture se réunit à 9h.43 ce matin, sous la présidence de M. Beer, président.

Présents: MM. Beer, Clermont, Cobbe, Côté (*Richelieu*), Danforth, Douglas (*Assiniboia*), Foster, Gleave, Korchinski, LeBlanc (*Rimouski*), Lind, McBride, McKinley, Moore (*Wetaskiwin*), Pringle, Roy, (*Laval*), Smith (*Saint-Jean*), Southam, Thomson (*Battleford-Kindersley*), et Whicher—(20).

A comparu: L'honorable H. A. Olson, ministre de l'Agriculture.

Témoins: Du ministère de l'Agriculture: MM. S. B. Williams, sous-ministre; J. C. Woodward, sous-ministre adjoint (Recherches); B. B. Migicovsky, directeur général, Direction de la recherche.

Relativement au voyage du Comité dans l'Ouest du Canada, le président présente le quatrième rapport du Sous-comité de l'ordre du jour et de la procédure:

Votre Sous-comité recommande le projet d'itinéraire suivant:

Le mercredi 9 avril 1969

Vol à Edmonton.

Le jeudi 10 avril 1969

Matinée Audiences dans un hôtel d'Edmonton

Après-midi Visite de la Ferme expérimentale universitaire à Kinsella—élevage, alimentation, etc.

Le vendredi 11 avril 1969

Matinée et après-midi Départ d'Edmonton par autobus for visiter et prendre le déjeuner à la Ferme expérimentale de Lacombe. Départ par autobus vers Calgary.

Evening	Fly Calgary to Vancouver	Soirée	Vol de Calgary à Vancouver.
<i>Saturday, April 12, 1969</i>		<i>Le samedi 12 avril 1969</i>	
Morning	Travelling by bus, visit Fraser Valley Milk Producers plant in Burnaby, and via Cloverdale area to Abbotsford to visit modern egg factory, broiler growing farm, and turkey growing farm.	Matinée	Voyage par autobus, visite des installations de la <i>Fraser Valley Milk Producers</i> à Burnaby, en passant par Cloverdale pour se rendre à Abbotsford et visiter l'usine moderne d'œufs, et la ferme d'élevage de poulets à gril et de dindes.
1.30 p.m.	Hearings in Abbotsford.	13h.30	Audiences à Abbotsford.
4.30 p.m.	Continue on tour of Fraser Valley, visiting cash crop area and dairy farm.	16h.30	Reprise de la visite de la vallée du fleuve Fraser en passant par une région de culture maraîchère et une ferme laitière.
6.00 p.m.	Visit Experimental Farm, Agassiz.	18h.00	Visite de la Ferme expérimentale à Agassiz.
7.00 p.m.	Bus to Harrison Hot Springs Hotel for reception by B.C. Broiler and Turkey Marketing Board.	19h.00	Départ par autobus pour la <i>Harrison Hot Springs Hotel</i> et la réception offerte par la <i>B.C. Broiler and Turkey Marketing Board</i> .
9.00 p.m.	Bus to hotel in Vancouver.	21h.00	Départ par autobus pour l'hôtel à Vancouver.
<i>Sunday, April 13, 1969</i>		<i>Le dimanche 13 avril 1969</i>	
9.00 a.m.- 12 noon	Tour of Vancouver grain elevator terminals and harbour facilities.	de 9h.00 à 12h.00	Visite des installations céréalières et portuaires de Vancouver.
12.00- 12.30 p.m.	View Roberts Bank port proposals.	12h.00 à 12h.30	Examen du projet portuaire de Roberts Bank.
1.00 p.m.	Ferry trip to Victoria on bus (lunch on ferry) and tour of Butchart Gardens near Victoria.	13h.00	Voyage par autobus en prenant le bac pour Victoria (déjeuner à bord du bac) et visite du Butchart Gardens près de Victoria.
6.30 p.m.	Reception at chalet near Butchart Gardens with B.C. Government and B.C. Federation of Agriculture.	18h.30	Réception au chalet près du Butchart Gardens avec les fonctionnaires du gouvernement de la Colombie-Britannique et de la <i>B.C. Federation of Agriculture</i> .
8.00 p.m.	Fly Victoria to Kelowna.	20h.00	Vol de Victoria à Kelowna.

Monday, April 14, 1969

9.00 a.m. In Kelowna area, bus tour of orchards and processing plants are arranged with B.C. Fruit Growers Association.

1.30 p.m. Hearings in Board Room of B.C. Fruit Growers Association.

Evening Fly Kelowna to Saskatoon. Those going to Regina fly on.

Tuesday, April 15, 1969

Saskatchewan

The Committee having divided into two Subcommittees, one at Saskatoon, one at Regina, further Subcommittees of one and two members each tour Saskatchewan agriculture as arranged by the Saskatchewan Wheat Pool.

Wednesday, April 16, 1969

Saskatchewan

Same as previous day, except in the evening the Saskatoon Subcommittee flies to Regina.

Thursday, April 17, 1969

Regina

Morning Free time

Noon Luncheon

Afternoon 2.00 p.m. Bus to Moose Jaw, Saskatchewan, to view Canadian Government Grain Terminal and railway marshalling yard.

Evening Fly Regina to Winnipeg, Manitoba.

Friday, April 18, 1969

Winnipeg

Morning Tour of Winnipeg Grain Exchange

Noon Luncheon

Le lundi 14 avril 1969

9h.00 Dans la région de Kelowna, voyage par autobus aux vergers et aux usines de transformation organisé par la B.C. Fruit Growers Association.

13h.30 Audiences dans la Salle du conseil de la B.C. Fruit Growers Association.

Soirée Vol de Kelowna à Saskatoon. Ceux qui vont à Regina poursuivent leur vol.

Le mardi 15 avril 1969

Saskatchewan

Le Comité étant divisé en deux sous-comités, un à Saskatoon et l'autre à Regina, d'autres sous-comités d'une ou de deux personnes chacun visiteront les aspects de l'agriculture en Saskatchewan selon l'itinéraire préparé par la Saskatchewan Wheat Pool.

Le mercredi 16 avril 1969

Saskatchewan

Même programme que la journée précédente, sauf que dans la soirée, le sous-comité de Saskatoon s'envole vers Régina.

Le jeudi 17 avril 1969

Regina

Matinée Libre

Midi Déjeuner

Après-midi 14h.00 Voyage par autobus vers Moose Jaw (Saskatchewan pour visiter le terminus de céréales du gouvernement canadien et la gare de triage.

Soirée Vol de Regina à Winnipeg (Manitoba).

Le vendredi 18 avril 1969

Winnipeg

Matinée Visite de la Winnipeg Grain Exchange

Midi Déjeuner

Afternoon	Hearings at the Canadian Wheat Board, of representatives of the Board, the Winnipeg Grain Exchange and the Board of Grain Commissioners.	Après-midi	Audiences à la Commission canadienne du blé, des représentants de la Commission, de la <i>Winnipeg Grain Exchange</i> , et de la Commission canadienne des céréales.
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Saturday, April 19, 1969

8.00 a.m. Leave hotel by bus for Altona, Manitoba for tour of oil seed plant.

11.00 a.m. Leave Altona and travel through agricultural area to Portage la Prairie, Manitoba for lunch with Mayor, Council, Chamber of Commerce and Campbell Soup executives.

2.30 p.m. Visit Campbell Soup plant at Portage la Prairie.

3.15 p.m. Leave Portage la Prairie for Selkirk, Manitoba, touring en route a registered Lacombe hogs operation and a large dairy farm.

5.30 p.m. Arrive Selkirk, Manitoba, for reception hosted by Mayor and Council, with ARDA District Board representatives present.

6.30 p.m. Leave Selkirk, Manitoba for Winnipeg airport. Fly to Ottawa.

Le samedi 19 avril 1969

8h.00 Départ de l'hôtel par autobus vers Altona (Manitoba) pour visiter l'usine de traitement des graines oléagineuses.

11h.00 Départ d'Altona et voyage, traversant une région agricole, vers Portage la Prairie (Manitoba), pour prendre le déjeuner avec le maire, le Conseil municipal, la Chambre de commerce et la direction de la société Campbell Soup.

14h.30 Visite de l'usine de la société Campbell Soup à Portage la Prairie.

15h.15 Départ de Portage la Prairie pour Selkirk (Manitoba) avec arrêt en route à une ferme d'élevage de porcs de race Lacombe et à une importante ferme laitière.

17h.30 Arrivée à Selkirk (Manitoba) pour une réception offerte par le maire et son Conseil en présence des représentants du conseil local de l'ARDA.

18h.30 Départ de Selkirk (Manitoba) vers l'aéroport de Winnipeg.
Vol vers Ottawa.

Your Subcommittee also recommends that:

—finalizing of details of the itinerary be left with the Subcommittee;

—written briefs to be presented to the Committee for its use be in 40 copies;

Votre sous-comité recommande également:

—que les détails définitifs de l'itinéraire soient laissés aux soins du sous-comité.

—que les mémoires écrits présentés au sous-comité, pour sa gouverne, le soient en 40 exemplaires:

- the deadline for accepting them in Ottawa be April 1st, otherwise they may be filed with the Committee on the trip;
- oral presentations at Committee hearings be limited to 10 minutes, in order to afford members an opportunity to ask questions;
- any member of the Committee not going on the trip inform his Whip for a possible substitution and also inform the Clerk of the Committee, by Thursday, March 27th.

During a discussion of the Subcommittee's Report, on motion of Mr. Southam,

Resolved,—That the possibility of the Committee holding hearings in Saskatchewan be considered by the Subcommittee. (See Note below.)

On motion of Mr. Côté (*Richelieu*),

Resolved,—That the Subcommittee's Report be adopted.

The Committee resumed consideration of Item 5 of the 1969-70 Estimates relating to the Department of Agriculture.

The Minister, Mr. Williams, and Dr.'s Woodward and Migicovsky answered questions.

With questioning continuing, Item 5 was allowed to stand.

At 11.48 a.m., the Committee adjourned to the call of the Chair.

Le secrétaire du Comité,
Michael A. Measures
Clerk of the Committee.

Note: The Subcommittee, at a meeting held at 11.50 a.m. this day, decided to schedule hearings in Regina, Saskatchewan, on Thursday, April 17, 1969 in the morning.

- que la date limite à laquelle ces mémoires seront acceptés à Ottawa, soit fixée au 1^{er} avril, sinon ils peuvent être présentés au Comité au cours du voyage;
- que les exposés présentés oralement lors des audiences du Comité soient restreints à dix minutes, de façon à permettre aux députés de poser des questions;
- que tout membre du Comité qui ne désire pas faire le voyage en informe le Leader en Chambre de son parti, afin qu'on puisse le remplacer, et en informe également le secrétaire du Comité avant le jeudi 27 mars 1969.

Au cours de l'étude du rapport du sous-comité, sur une motion de M. Southam,

Il est décidé—que le sous-comité étudie la possibilité de prévoir des audiences pour le Comité en Saskatchewan. (voir la note ci-dessous).

Sur une motion présentée par M. Côté (*Richelieu*),

Il est décidé—d'adopter le rapport du sous-comité.

Le Comité reprend l'étude du crédit 5 du budget de 1969-1970 relatif au ministère de l'Agriculture. Le Ministre, MM. Williams, Woodward et Migicovsky répondent aux questions.

Comme la période de questions se prolonge, on réserve le crédit 5.

A 11h.48 le Comité s'ajourne jusqu'à nouvelle convocation du président.

Nota: Lors d'une réunion tenue à 11h.50 ce matin, le sous-comité décide de prévoir une audience à Régina (Saskatchewan) dans la matinée du jeudi 17 avril 1969.

[Texte]

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, March 20, 1969

● 0956

The Chairman: Gentlemen, we will resume. Do I have a motion that the Report of the Subcommittee on Agenda and Procedures be accepted?

Mr. Gauthier: I so move.

Mr. Foster: I second the motion.

Motion agreed to.

The Chairman: Gentlemen, I direct your attention to Item 5. I did have a list of questioners who had not been recognized last week. As it is not readily available I will start afresh. Mr. Danforth will proceed, followed by Mr. Douglas and Dr. Foster.

Mr. Danforth: Mr. Chairman, since I was not present at the last meeting I think I should give way to those who were here. My question at this time will be short and for information only. May I ask if the material that I requested regarding the departmental structure and the program of the research department has been made available yet to members?

Dr. J. C. Woodward (Assistant Deputy Minister, Research Branch, Department of Agriculture): Yes, Mr. Chairman, this material is included in the Report to the Senate Special Committee on Science Policy, which was made an appendix to the proceedings of this Committee. I believe copies were distributed to the members of this Committee.

Mr. Danforth: My apologies, Mr. Chairman. Perhaps I did not receive mine because of absence.

The Chairman: Thank you. I recognize Mr. Douglas.

Mr. Douglas (Assiniboia): Mr. Chairman, during discussion in the latter moments of the last meeting a question was raised about cigars which reminded me that I have some objection to spending the kind of money we are on research in the tobacco industry.

[Interprétation]

TÉMOIGNAGES

(Enregistrement électronique)

Le jeudi 20 mars 1969

Le président: Messieurs, nous allons commencer. Est-ce que quelqu'un veut bien proposer qu'on adopte le Rapport du sous-comité de l'ordre du jour et de la procédure?

M. Gauthier: Je propose que nous l'adoptions.

M. Foster: J'appuie la proposition.

La proposition est adoptée.

Le président: Messieurs, je porte le crédit 5 à votre attention. J'avais certains noms de personnes qui n'ont pas pu poser de questions la semaine dernière, mais comme je ne la trouve pas, on peut recommencer. M. Danforth, puis M. Douglas et le D^r Foster. Monsieur Danforth?

M. Danforth: Monsieur le président, étant donné que je n'ai pas assisté à la dernière réunion, je devrai céder ma place à ceux qui y étaient. Ma question n'est que pour obtenir des renseignements. Est-ce que je pourrais savoir si les documents que j'ai demandés en ce qui concerne la structure ministérielle et le programme du service de recherches ont été distribués aux membres du comité?

Dr J. C. Woodward (Sous-ministre adjoint, Direction de la Recherche, ministère de l'agriculture): Monsieur le président, cette documentation se trouve dans le Rapport présenté au Comité spécial du Sénat sur la politique scientifique, qui a été porté en annexe du compte rendu de ce comité. Je pense qu'on en a distribué des exemplaires aux membres du Comité.

M. Danforth: Je m'excuse, monsieur le président, peut-être que je n'ai pas reçu ce document parce que j'étais absent. Je vous prie de m'excuser.

Le président: Merci, Monsieur Douglas.

M. Douglas (Assiniboia): Monsieur le président, au cours de la discussion à la fin de la dernière réunion, on a posé une question sur les cigares, ce qui m'a rappelé que je trouve que l'on dépense trop d'argent pour la recherche dans l'industrie du tabac.

[Text]

I know that the tobacco industry is important to a number of farmers in Eastern Canada but I also know that cigarettes are not recommended by the Department of National Health and Welfare. They are a health hazard. Cigars may not be quite as serious. Certainly they are not a necessity of life. It seems to me that if research is required in the tobacco industry it should be paid for by the tobacco companies who make the profits, and large profits too, from this industry. I would suggest that we seriously consider getting out of the business of research into tobacco and support prices, if there are any, for tobacco.

I think there was a large payment made to a tobacco marketing board a few years ago. I do not think it is at all right that the Government of Canada should be supporting this industry which, in my opinion, is really a detriment to the country.

The Chairman: That should be a good controversial subject.

Mr. Danforth: I wonder if the member knows what he is saying.

The Chairman: Order, order. Gentlemen, may I recognize Dr. Foster.

Mr. Olson: Mr. Chairman, the opinions expressed by Mr. Douglas respecting the hazards of tobacco are a matter of opinion and I am not either agreeing or disagreeing with that opinion. However, as long as it is legal to both grow and sell tobacco in Canada and around the world we in the Department feel that we have a responsibility to do what we can to make it as easy and as efficient and as profitable as it can be for and on behalf of the producer of tobacco.

You get into a lot of other arguments when you get into that section administered by the Department of Health and Welfare, the commercial aspects and so on but our research is for and on behalf of the producer of tobacco, the same as it is for the producer of all other agricultural commodities. Until such time—if such a time ever comes—as it is not either legal or whatever it is to grow and sell tobacco in Canada, I think that we have as much responsibility to the tobacco grower as to any other grower. Now I suppose if we are going to get involved in some of the other matters that you have raised then we should also withdraw from cereals being used to make whiskey and that sort of thing. You can get into the same kind of argument and I am not

[Interpretation]

Je sais que l'industrie du tabac est importante pour certains agriculteurs de l'est du Canada, mais je sais également que les cigarettes ne sont pas recommandées par le ministère de la Santé nationale et du Bien-être social. Elles représentent un danger pour la santé. Les cigares ne sont peut-être pas aussi dangereux, mais ils ne sont certainement pas d'une nécessité vitale. Et, il me semble que, s'il faut faire des recherches dans l'industrie du tabac, il faudrait que ce soit les compagnies de tabac qui financent cette recherche, parce que ce sont elles qui font des bénéfices, et des bénéfices énormes. Je pense, pour ma part, qu'il faudrait envisager de cesser toute participation à la recherche sur le tabac, et aux prix de soutien, s'il y en a.

Je crois qu'il y a quelques années on avait versé de fortes sommes à un office de commercialisation du tabac. Je ne pense pas qu'il soit juste que l'État soutienne une industrie qui, à mon avis, porte tort à l'ensemble du pays.

Le président: Cette question ferait l'objet d'une bonne controverse.

M. Danforth: Je me demande s'il sait ce qu'il dit.

Le président: A l'ordre, s'il vous plaît. Messieurs, je voudrais passer la parole à M. Foster.

M. Olson: Eh bien, les avis exprimés par M. Douglas en ce qui concerne les dangers du tabac, c'est une question d'opinion et je ne suis ni en accord, ni en désaccord avec ce qu'il a dit. Cependant, dans la mesure où il est légal de cultiver du tabac au Canada et dans le monde entier, nous pensons, au ministère, que nous avons la responsabilité d'organiser un système aussi efficace, aussi facile et rentable que possible pour le producteur de tabac.

Il y a toute une série d'autres considérations lorsqu'on entre dans le domaine du ministère de la Santé, l'aspect commercial etc.—mais en ce qui nous concerne, notre recherche est faite au nom du producteur de tabac de même que nous faisons de la recherche pour les autres producteurs de produits agricoles. Jusqu'au moment, s'il survient un jour, où il sera illégal entre autre de cultiver et de vendre du tabac au Canada. Nous avons ainsi autant de responsabilité à l'égard du producteur de tabac qu'à l'égard des autres producteurs, et je pense que si nous commençons à soulever les points que vous avez avancés, je pense qu'il nous faudrait alors cesser de soutenir le prix des céréales qui servent à fabriquer le whisky! Enfin, on a

[Texte]

sure that I would like to support that kind of an argument either. There is one other point; we also carry on some research in an attempt to find ways and means of reducing the health hazard from tobacco.

The Chairman: Thank you. I recognize Dr. Foster.

Mr. Foster: Mr. Chairman, I am on the Health and Welfare Committee which is studying this matter of tobacco. I am sure that they will be going into this in much detail but I think for the sake of the people from Western Ontario on the Agriculture Committee it would be well to break down this figure spent on tobacco research which, I understand, is in the amount of \$300,000. It might be well to have that figure broken down to show how much is spent on plant research, how much is spent on producing strains which are low in nicotine and tar and this sort of thing. I am sure it is not all spent on developing new varieties and that some of it is spent on other facets.

What amount of the Department's research is farmed out to universities' research programs, and how much money do we spend on this? I hear a lot of criticism from people at universities across Canada to the effect that the federal government tries to do all the research themselves and do not spend enough by farming it out to universities.

What is the thinking of the Department on this, and how do they justify it? Many people at universities believe that the academic setting has a certain advantage for research workers in that they have larger groups of scientific people and a larger supporting group of academic people, as a result of which they are in a better position to stimulate research. What is the Department's thinking on farming out research as opposed to doing all of it in their own institutions?

• 1005

Mr. S. B. Williams (Deputy Minister, Department of Agriculture): Mr. Chairman, we seem to move from one controversial subject to another, because certainly the subject that has been raised by Dr. Foster is indeed a controversial one. Basically within the Department we have two types of research that we, as the saying goes, farm out. One is where we need special work done for which a particular university or some outside organization is particularly well suited to support a special project or special work that we are doing which may be relatively short-term and for which we do not wish to staff.

The second major area for which we let out work to universities is where we wish to

[Interprétation]

ainsi toute une série d'arguments disponibles, je ne suis pas certain d'être d'accord avec ce genre d'argument. Nous sommes responsables également de la recherche qui est destinée à réduire les dangers que présente le tabac.

Le président: Merci. M. Foster.

M. Foster: Monsieur le président, je fais partie du comité de la Santé et des affaires sociales qui s'occupe de cette question du tabac. Je suis sûr que ce comité étudiera la question dans tous ses détails, mais je pense que pour le bien des gens de l'ouest de l'Ontario de ce comité sur l'agriculture il serait bon de ventiler ce chiffre de \$300,000 qui si j'ai bien compris est dépensé pour la recherche sur le tabac. Il serait bon de diviser ce chiffre pour savoir combien est dépensé pour l'étude de la plante, combien sur l'étude de souches renfermant moins de nicotine et de goudrons, etc. Je suis sûr que tout n'est pas dépensé sur la recherche de nouvelles variétés et qu'une partie est dépensée à d'autres aspects.

Quelle est la proportion des recherches qui est confiée aux programmes de recherche des universités? Combien dépense-t-on pour cela? J'ai entendu beaucoup d'universités canadiennes se plaindre du fait que le gouvernement fédéral essaie de faire toute la recherche lui-même et ne confie rien aux universités. Qu'en pense le ministère? Comment justifie-t-il cette politique? Beaucoup d'universitaires sont d'avis que le milieu académique présente des avantages pour les chercheurs, en ce sens qu'ils y trouvent un plus grand nombre de scientifiques et un plus grand groupe de soutien; en conséquence, ils sont dans une meilleure situation pour leurs recherches.

Que pense le ministère du fait de confier des projets de recherche, plutôt que de les faire lui-même?

M. S. B. Williams (sous-ministre, ministère de l'Agriculture): Monsieur le président, nous passons d'un sujet de controverse à un autre, car voici un sujet qui se prête à beaucoup de controverse. Dans le ministère, nous avons deux genres de recherche que nous confions à d'autres. Dans le premier cas, il nous faut des travaux spéciaux et une université ou un organisme est plus apte à faire ces travaux de recherche pour un projet spécial que nous ou bien c'est un projet à court terme pour lequel nous ne voulons pas recruter de personnel.

L'autre domaine dans lequel nous confions le travail de recherche aux universités, est le

[Text]

stimulate the development of research officers and scientists in a particular field of expertise. For example, at the present moment, pesticide workers are relatively in short supply and we therefore tend to direct our support of university programs into that area as opposed to some other areas where we may not need as many graduates in the foreseeable future.

I do not suppose that is really answering your question because what you are really asking is the level of support. All I can report is that we are increasing or have increased up until the current year our level of support to outside research. At the present moment it runs somewhere between \$750,000 and \$1 million a year in grants for research done outside the Department itself.

Mr. Foster: In other words, something like only 3 per cent of the federal Department of Agriculture's research money is spent on research not carried out by fulltime employees and institutions owned and operated by the Department of Agriculture.

Mr. Williams: If we consider the total vote, that is correct, but I think you appreciate in the total vote there is the capital vote as well the operational one. But that is a fair guess.

Mr. Foster: Is it not difficult to get pure research workers that have no connection with a university? This is what people in university settings doing research tell me. They feel that we as a federal government are perhaps not getting the best mileage out of our research dollar because we are trying to do it all in closed institutions where it is difficult to get people to come and work because they do not have the academic setting along with the research setting.

Mr. Williams: Well, I think that our policy in that respect is—and I think Mr. Olson mentioned this on Tuesday—to locate many of our major institutions on university campuses where they do have this interchange of thinking and discussion with the academic community. There is one point that I neglected to mention when I was answering your earlier question. Basically the Department of Agriculture is not a grant-providing organization in so far as agriculture is concerned; that is the function of the National Research Council and that Council provides about \$2.5 million over and above the figures that I have quoted.

[Interpretation]

domaine où nous voulons encourager la préparation des chercheurs dans un domaine spécialisé. Comme, par exemple, actuellement, dans le domaine des pesticides. Il y a très peu de gens qui se spécialisent dans les pesticides à ce moment-ci, et nous essayons d'encourager des programmes universitaires dans le domaine des recherches sur les pesticides, par opposition à d'autres domaines où nous n'avons pas besoin de diplômés dans un avenir immédiat.

Je ne crois pas que j'ai répondu à votre question, comme vous le vouliez. Ce que vous demandez, c'est l'importance de l'aide que nous fournissons. Tout ce que je peux dire, c'est que nous augmentons ces sommes de soutien payées aux organismes et aux universités. Actuellement c'est entre $\frac{3}{4}$ et un million de dollars par année, qui sont distribués en bourses de recherches à l'extérieur du ministère.

M. Foster: En d'autres termes, il n'y a que 3 p. 100 du budget de recherche qui aille aux recherches non effectuées par les fonctionnaires et les installations du ministère de l'Agriculture.

M. Williams: Si nous considérons le crédit total, c'est exact, mais dans le crédit il y a le capital et les frais.

M. Foster: N'est-ce pas difficile d'obtenir des chercheurs qui n'aient aucun rapport avec une université? C'est ce que disent les universitaires. Ils pensent que le gouvernement fédéral n'obtient pas le maximum de ses dollars parce qu'il essaie de faire toutes ses recherches dans des institutions fermées dans lesquelles il est difficile d'attirer des chercheurs parce qu'il n'y a pas le milieu académique et l'ambiance de recherche qui les inciteraient à venir travailler pour le gouvernement.

M. Williams: Ainsi que M. Olson l'a mentionné mardi, nous essayons de situer beaucoup des institutions les plus importantes auprès des universités, où nos chercheurs et les professeurs trouvent cette communauté scientifique. J'ai oublié un point lorsque j'ai répondu à votre première question. Le ministère de l'Agriculture n'est pas un organisme distributeur de bourses pour la recherche agricole, cela est du domaine du Conseil national des recherches et il fournit deux millions et demi de plus que ce que j'ai auparavant.

[Texte]

Mr. Foster: For agricultural purposes?

Mr. Williams: For agricultural research at universities?

Mr. Foster: I see.

Mr. Williams: I emphasize that the money that we spend on this is oriented to these two functions.

Mr. Foster: Yes.

Mr. Williams: The Research Council one is more in the nature of nonspecific grants whereas ours are all specific grants.

Mr. Foster: What is the percentage that we spend on research—as opposed to capital expenditures? We do not really get much for our capital dollar. I suppose we do over a long period of time but if we were to farm it out we would get an immediate return.

Mr. Williams: I suppose that one has to say that certainly for our people to do useful work we need buildings in which to do it and we have to make capital expenditures. I think it is true that our capital expenditures have been a relatively high proportion because of the need to build up facilities in recent years simply because of the turnover in buildings.

• 1010

We seem to have reached the time where our buildings are becoming of an age where they have to be replaced.

In the current year there is \$5.7 million for major construction and acquisition projects, which are basically our capital projects. That comes out of a total cost of \$45,743,000, so capital represents 12 per cent, or something like that.

Mr. Foster: Yes.

The Chairman: Thank you, Mr. Foster. Mr. Gleave, do you have a single supplementary question?

Mr. Gleave: I judge by the answers that the National Research Council is putting up considerable amounts of money for agricultural research. I know they carry on quite a bit of the forage in Saskatchewan. When do these figures relative to the money distributed to universities for research come before us as a Committee, or do they come before us as a Committee, for discussion?

Mr. Williams: It is my understanding, Mr. Chairman, that they do not come before this Committee under normal procedures.

[Interprétation]

M. Foster: Pour la recherche agricole.

M. Williams: Pour la recherche agricole dans les universités.

M. Foster: Je vois.

M. Williams: L'argent que nous dépensons là-dessus est orienté vers ces deux fonctions.

M. Foster: Oui.

M. Williams: Le Conseil national des recherches distribue des bourses ayant un caractère général, les nôtres le sont à des fins spécifiques.

M. Foster: Quel est le pourcentage que nous dépensons pour les recherches par rapport aux immobilisations? Nous n'obtenons pas beaucoup de nos immobilisations. Je suppose que sur une longue période, c'est rentable, mais nous aurions un rendement immédiat si nous confions ces travaux à des organismes spécialisés.

M. Williams: Pour que nos gens fassent un travail utile, il nous faut des locaux, ce qui représente une immobilisation de capital. Il est vrai que nos frais d'immobilisation ont été assez élevés parce qu'il nous a fallu construire de nouveaux locaux, car nos édifices sont plutôt désuets et il faut les remplacer.

Au cours de cette année-ci, il y a 5.7 millions de dollars pour des constructions et des acquisitions majeures. Ce sont des projets qui immobilisent des capitaux. Tout cela se monte à \$45,743,000. Donc, c'est 12 p. 100.

M. Foster: Oui.

Le président: Merci, monsieur Foster. Questions supplémentaires, monsieur Gleave?

M. Gleave: Je juge par les réponses que le Conseil national des recherches fait des octrois assez importants pour la recherche agricole. Je sais qu'ils font des recherches considérables dans le domaine fourrager en Saskatchewan. Quand ces chiffres, relatifs aux fonds distribués aux universités pour la recherche, seront-ils examinés par notre Comité, ou les étudions-nous?

M. Williams: Monsieur le président, ils ne sont pas soumis à ce Comité-ci selon la procédure normale.

[Text]

Mr. Gleave: Could they?

Mr. Foster: It is the Treasury Board.

Mr. Williams: National Research Council reports to the Chairman of the Treasury Board, and presumably they will be handled by whatever Committee handles those. But I cannot answer, Mr. Chairman, on whether they could come before this Committee. It is not within my competence to answer that.

The Chairman: I think we could ascertain the answer to your question and make it available next week.

Mr. Gleave: They are a very important part of the operations of agriculture, and I think we should have a look at that.

The Chairman: Thank you. I think Mr. Douglas had a supplementary on this.

Mr. Douglas (Assiniboia): I notice in the estimates some \$8 million for services provided by other departments. Has this to do with research that is being farmed out, or is this just other operating services? It is on page 16 of the white book, in the first column of the proposed estimates for 1969-70.

Mr. Williams: These do not enter into our estimates. That is to say, the money is not appropriated to the Department of Agriculture, but it is an estimate of the cost of the services that are used by agriculture, which appear in the votes used by the Department of Agriculture.

These votes appear in the votes of other departments, such as the Department of Public Works, who provide the services to some of our buildings in Ottawa; to the Comptroller of the Treasury for cheque issue; to the superannuation people; and to all different types and kinds of departments.

Mr. Douglas (Assiniboia): It has nothing to do with Dr. Foster's question, though, on research?

Mr. Williams: No.

Mr. Cobbe: Mr. Chairman, to get back to what Mr. Korchinski was discussing the other day, about the time that is being spent on developing other cash crops—and perhaps we could deal with rapeseed—we know work is now being done out at the Farm. It is natural for time to be an element in developing any research, but where does the biggest problem lie at the present time? Is it in time, people or money? In other words, money and people may be the same question.

[Interpretation]

M. Gleave: Est-ce que nous pourrions les étudier?

M. Foster: C'est le Conseil du Trésor.

M. Williams: Le Conseil national des recherches est responsable au président du Conseil du Trésor et ce serait le Comité en question qui s'occuperait de ces crédits-là. Je ne puis répondre, monsieur le président, en ce qui concerne le présent Comité. Il n'est pas de ma compétence de vous répondre.

Le président: Je pense que nous pourrions apprendre la réponse et vous la donner la semaine prochaine.

M. Gleave: Ils sont une partie importante des recherches agricoles et je crois qu'ils devraient être étudiés par le Comité.

Le président: Merci. Une question supplémentaire, monsieur Douglas?

Mr. Douglas (Assiniboia): Dans les crédits, je remarque qu'il y a 8 millions de dollars pour des services fournis pour d'autres ministères. Est-ce que cela a trait aux recherches faites en dehors du gouvernement? C'est à la page 16 du Livre blanc, dans la première colonne des dépenses prévues pour 1969-1970.

M. Williams: Ceci n'est pas inclus dans nos crédits. C'est-à-dire que l'argent n'est pas approprié par le ministère de l'Agriculture, mais que c'est une évaluation du coût des services utilisés par l'agriculture, et qui figure dans les crédits utilisés par le ministère de l'Agriculture. Ces crédits figurent dans les crédits d'autres ministères, tels que les Travaux publics qui fournissent les services dans certains de nos édifices à Ottawa; le contrôleur du Trésor qui émet les chèques; les gens qui s'occupent du fonds de caisse de la retraite; et les autres différents genres de ministères.

M. Douglas (Assiniboia): Ça n'a rien à faire à la question qui a été posée par M. Foster sur la recherche?

M. Williams: Non.

M. Cobbe: Monsieur le président, en revenant à ce que M. Korchinski discutait l'autre jour, au sujet du temps consacré au développement d'autres récoltes commerciales, et nous pourrions peut-être parler de la graine de Colza, nous savons que certains travaux sont faits présentement à la Ferme expérimentale. Il est naturel que le temps soit un élément dans tout programme de recherche, mais où est le problème majeur en ce moment? Est-ce qu'il s'agit de manque de temps, de fonds ou de personnel? Peut-être que le personnel et l'argent sont la même préoccupation.

[Texte]

Dr. B. B. Migicovsky (Director General, Research Branch, Department of Agriculture): As you say, sir, time, people and money really equate the same thing. Are you asking what is holding back the advances in research on rapeseed?

Mr. Cobbe: How could it be speeded up? Where is our basic problem?

Dr. Migicovsky: Actually we do not have a problem that we are not solving fairly readily relative to the improvement of rapeseed. I think we are doing this very, very effectively.

Naturally, if you put more people on this you probably could do it in a shorter time,

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but we think that the progress we are making in improving the varieties is very, very good. We are satisfied with this. There is also work going on at some of the universities, particularly the University of Manitoba.

Another problem arises in the use of the by-product which is, of course, rapeseed meal for animal feeding. At one time we had to restrict this use, but because of research we are now capable of using it much more effectively in animal feeding as a protein-supplement.

Another possibility that has arisen is its use for human food. Here, too, if we had more people and more money we could, for example, put up a pilot plant, which we are going to need in order to test the process developed by the Food Research Institute.

The Department of Industry is involved in this with us, and we are proceeding to formulate plans on what we can do to advance the work on using rapeseed meal as a very high protein supplement for human food.

Obviously with more money, a pilot plant and more people we will be able to do more work and we will get an answer yes or no more quickly. This is obvious. But within the confines of our expenditures I think we are doing as well as can be expected.

Mr. Cobbe: I realize that all of your various studies in trying to improve products, even tobacco, require time and money, but as we are telling the agricultural industry that they have to diversify, is it not thought that possibly more time and money should be spent on diversification at this time?

[Interprétation]

M. B. B. Migicovsky (directeur général, Direction de la recherche, ministère de l'Agriculture): Le manque de fonds, manque de personnel, manque de temps, sont tous concurrents. Demandez-vous ce qui empêche, entrave les progrès de recherche sur la graine de colza?

M. Cobbe: Comment pourrait-on procéder plus rapidement? Où se situe le problème?

M. Migicovsky: Nous n'avons pas de problème auquel nous ne trouvons pas de solution dans les recherches sur la graine de colza.

Naturellement, si vous consacrez plus de gens à la recherche sur la graine de colza, probablement pourriez-vous compléter le programme plus tôt. Mais les progrès que nous réalisons dans l'amélioration des variétés est très satisfaisant. Il y a du travail en progrès dans certaines universités, particulièrement l'université du Manitoba.

Un autre programme découle de l'utilisation des produits secondaires, tel que le moulu pour les animaux. Nous avons dû auparavant restreindre son emploi. A cause des recherches, nous constatons que l'on peut utiliser le moulu beaucoup plus efficacement, plus utilement comme supplément en protéines.

Nous songeons aussi à son utilisation pour un aliment destiné à la consommation des hommes. Ici encore, si nous avions plus de gens et plus d'argent, par exemple, nous aurions peut-être une petite fabrique pilote, dont nous aurons besoin pour mettre à l'essai le procédé mis au point par l'Institut de recherche sur les aliments.

Le ministère de l'Industrie s'intéresse à ceci concurrentement avec nous, et nous essayons d'élaborer des projets pour faire progresser les travaux, quant à l'utilisation du moulu de graine de colza à titre de supplément en protéines pour la consommation humaine.

Il nous faut plus de gens, plus d'argent évidemment et nous obtiendrons des solutions plus vite. Mais il me semble que notre progrès a été satisfaisant jusqu'ici.

M. Cobbe: Je constate alors, que toutes les études que vous entreprenez dans l'amélioration des produits, même le tabac, exigent du temps et de l'argent. Mais nous disons à l'industrie agricole qu'il faut diversifier ces productions. Est-ce qu'on ne devrait pas plutôt dépenser plus d'argent dans la diversification à ce moment-ci?

[Text]

Dr. Migicovsky: There, again, it is a question of priorities. We try to use the existing crops and plants that we grow more effectively; we cannot let those go by the board. And we have to spend some time on trying to introduce new crops and new varieties. We have pressures from all directions.

Our division of our effort is always under review. At present we are just completing a program review. There will be some shift in our program from what is referred to as subjects that have become of a lesser priority to others which are of a higher priority, but all within the constraint, of course, of the funds allotted to us.

If you feel we should get more funds, I can assure you we can spend them very effectively; but I guess there is a limit to what can be afforded

Mr. Cobbe: I hope the Committee will have the opportunity to discuss some of these decisions, naturally in an effort to impress upon the people with the purse strings that more money should be spent.

I wish to revert to another subject, and that is the cut-back, or the freeze, that has taken place. Does this at present affect the number of positions allotted to, or the number of persons employed in, your department? Has the freeze meant a definite cut-back in some areas?

Mr. Williams: I think I can best answer that question by directing your attention to page 18 of the white book. You will note that in the table at the bottom of the page—and this table refers only to the research program of the Research Branch—there is shown, for 1967-68, 1968-69 and projected for 1969-70, the strength and the establishment at certain fixed dates. On Tuesday I endeavoured to define the difference between these various terms, but let me take an example.

For the scientific and professional people, if you start over at the right hand side, you will note that on September 30, in the year 1967-68, we had 900 scientific and professional people on strength—actually employed; that is to say, we were 47 short of the number we had authorized at that point. Our establishment was 947. On September 30, 1968 we had 850 people on strength, but our establishment had fallen by only 7 people.

If we move now to the year ahead, you will note that there was neither a cut in the allowable continuing employees that we were allowed to have on strength as at the end of this month, nor in the total man-years authorized for the forthcoming year.

[Interpretation]

M. Migicovsky: Ici de nouveau, il s'agit des priorités. Nous essayons d'utiliser les récoltes et les plantes déjà cultivées; nous ne pouvons pas abandonner ces récoltes-là. Il nous faut essayer d'introduire de nouvelles variétés. Il y a des pressions qui s'exercent sur nous de toute part.

Je pense que, naturellement, nous étudions toujours la répartition de nos efforts. Nous sommes en train de réévaluer nos programmes. Il y a des questions qui sont devenues moins importantes que d'autres qui ont acquis une priorité augmentée. Et le tout est naturellement dominé par la question des fonds disponibles. Il y a une limite à ce que le pays peut consacrer à ces cas-là.

M. Cobbe: J'espère que le Comité pourra discuter de ces décisions, naturellement dans le but d'impressionner les gens qui disposent des crédits publics que plus d'argent devrait être dépensé.

On revient à un autre sujet maintenant, c'est-à-dire le retranchement qui a eu lieu. Est-ce que ceci affecte présentement le nombre de postes ou le nombre de gens employés dans votre ministère? Est-ce que vous avez dû réduire certains de vos programmes?

M. Williams: Je pense que je répondrais le plus sagement à cette question en vous référant aux pages 18 du Livre blanc. Vous noterez le tableau au bas de la page. Ce tableau n'a trait qu'au programme de recherches de la Direction de la recherche. On indique pour 1967-1968 et projeté pour 1969-1970 les effectifs et l'établissement à certaines dates. Mardi, j'ai essayé de définir la différence entre les différentes expressions.

Mais prenons un exemple. La main-d'œuvre des sciences et professions. Si vous commencez dans la colonne de droite vous noterez qu'en 1967-1968, au 30 septembre, nous avions 900 personnes de science et de profession employées. Cela veut dire, nous avions, nous étions à cours de 47 du nombre de postes autorisés. Le nombre autorisé était 947. Le 30 septembre, 1968, nous avions 850 gens employés mais notre établissement n'était diminué que de 7 personnes.

Si l'on passe maintenant à l'année qui nous fait face, vous noterez qu'il n'y a pas eu de réduction dans le nombre d'employés permanents que l'on nous alloue à la fin de ce mois-ci, ni dans le nombre total d'années-hommes autorisées.

[Texte]

Mr. Cobbe: But for 1968-69 it is shown as 940.

Mr. Williams: In total allowable man-years; that is correct.

Mr. Cobbe: Does this not indicate a cut to 850?

Mr. Williams: It indicates that Treasury Board has restricted our total strength to what our strength was or to the number of people we had on strength at a fixed date. That is correct.

Mr. Cobbe: All right.

Mr. Williams: I think I should say in explanation, however, that there is no restriction on the number of positions that we have any longer.

We can recruit right up to that full number. Before, each position as it became vacant had to remain vacant until it was filled. If you go back to 1967-68 when we had 947 authorized positions, we were only able at that point to have 900 filled. This was the normal turnover. While there is a cut from 900 to 850, the cut is not as big as it appears to be from 940 to 850, in that we can staff right up to that level, and as a matter of fact we are not under any real constraint if we were to go over it by two or three at any particular time, as long as we can reach that number for the year. As is indicated, we are not allowed to be over that as at March 31. Obviously we try to run within as few as possible on either side of it.

Mr. Cobbe: This partially answers my third concern which is that when funds are made available or estimates granted, in some government departments we quite often see a real surge right near the end of the year to use up the funds that have been allotted because of the fear that they will be cut next year if they are not being used. I am wondering whether this is a problem this Department faces as well.

Mr. Williams: I am afraid, sir, that I would have to say that our problem is in the other direction.

Mr. Cobbe: When you do not use the funds, they do not necessarily suspect that you do not require them.

Mr. Williams: When we try to defend a particular vote to Treasury Board, if we have lapsed money in it in the previous year we have much more difficulty defending it unless we have a very strong case to put forward. You will note from the supplementary esti-

[Interprétation]

M. Cobbe: Mais pour 1968-1969 on indique 940.

M. Williams: En total d'années-hommes, cela est juste.

M. Cobbe: Est-ce que cela n'indique pas une baisse à 850?

M. Williams: Cela indique que le Conseil du Trésor a coupé notre effectif comparative-ment à l'effectif que nous avions à une certaine date. C'est juste, oui.

M. Cobbe: Très bien.

M. Williams: Je devrais ajouter, cependant, qu'il n'y a plus de restriction quant au nombre de postes.

Nous pouvons recruter jusqu'au nombre total autorisé. Autrefois, lorsqu'un poste tombait vacant, il fallait le laisser vacant. Donc, lorsqu'on en revient à 1967-1968, quand nous avions 947 postes autorisés, nous n'avons pu, à ce moment-là, obtenir que 900, situation qui était normale. Même s'il y a une réduction de 900 à 850, la réduction n'est pas aussi grande qu'une de 940 à 850, puisque nous pouvons recruter jusqu'à ce niveau. Nous ne sommes pas sous contrainte maintenant, si nous augmentons d'un, de deux ou de trois, en autant que nous ayons cette moyenne pour l'année. Tel qu'indiqué, on ne nous permet pas de dépasser les chiffres au 31 mars. Mais il est clair que nous essayons de nous tenir à ce nombre autant que possible.

M. Cobbe: Cela répond en partie à mon troisième souci. Lorsque les fonds sont disponibles ou les crédits sont approuvés, nous voyons dans certains ministères une augmentation à la fin de l'année dans le but d'utiliser les fonds qui ont été alloués de crainte que l'année prochaine, ces fonds ne figureront pas dans les crédits, s'ils ne sont pas utilisés. Et je me demande si cela constitue un problème dans votre ministère aussi.

M. Williams: Notre problème est tout l'opposé, au contraire.

M. Cobbe: Lorsque vous n'utilisez pas les fonds, on ne soupçonne pas nécessairement que vous n'en avez pas besoin.

M. Williams: Lorsque nous essayons de défendre un crédit au Conseil du Trésor, si nous avons eu un surplus au cours de l'année précédente, la tâche est plus difficile à moins de présenter un cas solide. Vous remarquerez que sous les prévisions supplémentaires de

[Text]

mates this year, the ones that are prepared for the current year, that we have used every lapse that occurred in every vote, including the Canadian Livestock Feed Board lapse, and in addition to that we had to ask for additional funds.

Mr. Cobbe: Thank you, Mr. Chairman.

The Chairman: I recognize Mr. Moore (Wetaskiwin).

Mr. Moore (Wetaskiwin): Thank you, Mr. Chairman. In the field of dairy research I would like to know what areas of research are getting priority, and by that I mean are we trying to solve the problem of surpluses in some places and possible shortages in other areas as related to the problem of skim milk powder, butter, cheese and so forth, and the packaging and processing business?

Mr. Williams: We have two major areas of dairy research. The first of these is aimed at the production of milk more efficiently, that is to say more cheaply. We have a very major breeding program that is endeavouring to identify and select animals with superior ability to convert feed to milk, in other words with animals that have inherent superior efficiency of production.

In addition to that, of course, we do extend
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some work right across Canada on feeds, pastures, and various items of that kind, all aimed at the more efficient production of milk.

In the area of the utilization of milk we have work underway at our Food Research Institute. It is aimed at developing new uses for products and one of the major questions is the stabilization of quality in cheddar cheese so that there will be, theoretically at least, no low-grade cheddar cheese, no second-grade cheddar cheese. It is a process they are working on at one of the experimental research stations at the present time. Those are the two major areas where this work is being conducted to assist the dairy industry.

Mr. Moore (Wetaskiwin): Yes, I can vouch for the success of the animal improvement program. I can see the results, and I think it has been a very successful program. But I am not too sure of the other angle. I am not aware of any particularly new packaging that has been done, except possibly milk in plastic containers and so on, or any new markets in particular, or any new ways of disposing of dairy products. Or for that matter, Mr. Chair-

[Interpretation]

cette année, celles qui ont été préparées pour l'année en cours, nous avons utilisé chaque lacune sous chaque crédit, y inclus celle de l'Office canadien des provenances. Il nous a même fallu demander des crédits supplémentaires.

M. Cobbe: Merci, monsieur le président.

Le président: Monsieur Moore (Wetaskiwin).

M. Moore (Wetaskiwin): Merci, monsieur le président. Dans le domaine de recherche de l'industrie laitière, quels sont les domaines de recherche qui obtiennent la priorité? Est-ce qu'on essaie de résoudre le problème des surplus à certains endroits et de pénuries possibles à d'autres, touchant le problème de la poudre de lait écrémé, du beurre, du fromage, et la question de l'emballage et du traitement.

M. Williams: Il y a deux domaines où il y a des recherches qui se font dans l'industrie laitière. Le premier domaine est une production plus efficace de lait, c'est-à-dire une production moins coûteuse. Nous avons un important programme d'amélioration du bétail où nous essayons de choisir les animaux qui produisent le plus de lait, c'est-à-dire des animaux qui ont une efficacité de production élevée.

De plus, nous faisons des travaux à l'envergure du Canada dans les questions de moulée, de pâture, et diverses questions de ce genre, le tout dirigé vers une production plus efficace de lait.

Dans le domaine de l'utilisation du lait, dans l'Institut de recherches sur les aliments, nous avons un programme où nous essayons de développer de nouveaux usages pour les produits courants; une question importante est la stabilisation des qualités du fromage Cheddar, pour que l'on ne produise plus du fromage Cheddar de qualité inférieure, de deuxième catégorie, du moins en théorie. Ce sont là les deux domaines les plus importants où nous faisons des recherches pour aider l'industrie laitière.

M. Moore (Wetaskiwin): Je peux attester du succès de votre programme d'amélioration du bétail. J'ai pu constater les succès et je pense que votre programme a connu un grand succès. Mais je ne suis pas certain de l'autre aspect de la question.

Je ne suis pas au courant qu'on ait développé de nouveaux emballages, à moins que ce ne soit les contenants en plastique pour le lait, de nouveaux marchés qui aient

[Texte]

man, any new products. I think this is where our trouble lies at present in the dairy industry.

Mr. Williams: Quite frankly, Mr. Chairman, we are not doing work on packaging. This is considered to be industrial research rather than research of the Department of Agriculture. But we are working on a new products. I would say that there is a major problem of new products in the dairy industry, and it is associated with the fact that the dairy industry itself in general is not prepared to put the money into the promotion and development of new products. Their stated reason is, first, that the profit margins are extremely low. But more importantly they defend the position on the argument that it requires some company to go out and promote a new product. Let us take for example, and we have done a considerable amount of work on this, the improvement in quality of fluid milk through the addition back to it of solids not fat.

If one plant were to go out and spend a great deal of money promoting this product to try and put it on the market, there is nothing to stop the next plant from taking advantage of it, because in general these are not patentable products and patentable processes.

Our research people do feel that their work tends to lack recognition by the industry because of this inhibition the industry feels towards promotion and development of new products.

Mr. Moore (Wetaskiwin): I am aware of that, sir, and I agree, but here we are on the one hand making it possible and easier to produce more milk and being very successful in that particular aspect, and on the other hand—I am not saying where the fault is, I do not know, possibly with the plants—they are certainly not doing the same job as the people are in animal research and improvement. I think this is the problem with our dairy industry, and I am very concerned about it.

Mr. Williams: Mr. Chairman, I am not being critical of either side, but I think the outlook is a good deal more hopeful at the present time than it has been. The National Dairy Council of Canada have employed a man for the special job of promoting fortified milk, and I think he has a great deal of consensus among the industry, and I would not be at all surprised to see it go ahead quite

[Interprétation]

été établis, ou de nouveaux moyens d'empaqueter les produits laitiers, ni de nouveaux produits laitiers d'ailleurs. Il me semble que c'est là notre problème dans l'industrie laitière.

M. Williams: Franchement, monsieur le président, nous ne faisons pas de recherches au sujet de l'empaquetage. Cela est considéré comme étant de la recherche industrielle, plutôt que la recherche qui doit être confiée au ministère de l'Agriculture. Nous tentons cependant de développer de nouveaux produits. Il y a un problème d'ordre majeur au sujet de nouveaux produits dans l'industrie laitière, et il est associé au fait que l'industrie laitière elle-même n'est pas disposée à investir de l'argent dans le développement, ni la mise en marché de nouveaux produits. Leur argument est d'abord que les marges de bénéfices sont très basses. Mais encore plus important est l'argument qu'il faut qu'une société fasse de la réclame pour un nouveau produit. Par exemple, un domaine dans lequel on a fait beaucoup de travail est l'amélioration de la qualité du lait fluide en y ajoutant des solides non gras.

Si une fabrique dépense beaucoup d'argent pour faire la réclame d'un produit, il n'y a rien qui empêchera une autre fabrique d'en tirer avantage, parce qu'en général ce ne sont pas des produits ou des procédés pour lesquels on puisse demander un brevet.

Nos spécialistes en recherche ont l'impression que leur travail de recherche n'est pas reconnu à cause de l'inhibition de l'industrie envers la publicité et le développement de nouveaux produits.

M. Moore (Wetaskiwin): Je suis au courant de cette psychologie et je suis d'accord, mais d'une part, nous encourageons avec succès une production accrue de lait, mais d'autre part, je ne dis pas qui en est responsable, je ne le sais pas; ce sont peut-être les fabriques qui en sont responsables, on ne fait pas le même travail dans ce domaine-là que l'on fait dans l'amélioration du bétail.

C'est le problème de l'industrie laitière et je m'en préoccupe beaucoup.

M. Williams: Monsieur le président je ne critique aucun des deux partis, mais je pense que les perspectives d'avenir sont de beaucoup meilleures que par le passé. La Commission canadienne du lait a engagé un homme chargé spécialement de promouvoir le lait fortifié. Je pense qu'il a l'appui de l'industrie, et je ne serais pas étonné de voir ce produit devenir très vite populaire, c'est-à-

[Text]

quickly. That is, working through the National Dairy Council, I may say.

And we are strengthening our work in that field and our people have several commodities. I would like Dr. Woodward or Dr. Migicovsky to say a few words about some of the

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developmental work that is underway at the present time in terms of modified products, if they are not new products.

Dr. Woodward: Mr. Chairman, for several years in a very modest way—but quite immodestly as far as ideas are concerned and in a modest way as far as developmental work is concerned—we have been researching some of the possibilities in the field of filled milks, and when the dairy industry is ready for this information we will have a contribution to make.

Mr. Moore (Wetaskiwin): May I ask this then, Mr. Chairman? From what I can find to read on the subject, and there seems to be very little, it seems that dairy substitutes—and I am not speaking so much of filled milk as the straight substitute—have not turned out to be of much advantage over the natural product so far as the cost factor is concerned; there is not that much difference. Could you give me some information on that?

Mr. Williams: I would have to say that the consensus appears to be at the present time that a truly synthetic milk—that is to say, one that is based upon non-dairy fat, and non-dairy solids not fat such as soya proteins or something of that nature—is not only expensive but it is not particularly acceptable. A reasonably acceptable product is available using dairy solids not fat and non-dairy fats. There are nutritional problems and when it is brought up to the nutritional level of whole milk it is my understanding that the cost factors are not particularly favourable.

Mr. Moore (Wetaskiwin): That is what I understood and I think it is very good news.

Mr. McBride: Mr. Chairman, may I ask a supplementary to this?

The Chairman: Yes, I have one supplementary from Dr. Foster, and then I will recognize you; single supplementaries, please.

Mr. Foster: My question relates to filled milk again. Last fall I think you told us, Mr. Williams, that a group from the provinces and the federal government were studying

[Interpretation]

dire, en travaillant par l'entremise de la Commission canadienne du lait.

Nous encourageons le travail dans ce domaine et nos spécialistes possèdent plusieurs commodités. J'aimerais que M. Woodward ou M. Migicovsky disent quelques mots

au sujet du travail de développement qui se fait actuellement dans le développement de nouveaux produits ou de vieux produits qui sont améliorés.

M. Woodward: Monsieur le président, depuis quelques années, de façon très modeste, c'est-à-dire d'une façon peu modérée quant aux idées, mais sans prétention quant au travail d'élaboration, nous faisons des recherches dans les possibilités du domaine du lait vitaminé, et lorsque l'industrie laitière sera disposée à utiliser ces renseignements, nous aurons une contribution à apporter.

M. Moore (Wetaskiwin): Je voudrais poser une question. Lorsque je consulte la documentation sur cette question, il me semble que les succédanés du lait et je ne pense pas tant au lait vitaminé qu'au succédané, n'ont pas présenté beaucoup d'avantages par rapport au produit naturel, en ce qui concerne le facteur coût; il n'y a pas tellement de différence. Pourriez-vous me donner des renseignements à ce sujet?

M. Williams: Il semble que, à l'heure actuelle, le consensus d'opinions soit qu'un lait purement synthétique, c'est-à-dire un lait basé sur des matières grasses non laitières et des solides non laitiers qui ne sont pas les matières grasses comme les protéines des soya ou quelque chose du genre, qui, non seulement sont très coûteux, mais ne sont pas très acceptables. Il existe un produit relativement acceptable en se servant de solides laitiers non gras et des matières grasses non laitières. Ils causent des problèmes d'ordre nutritif, et, lorsque le produit est amené au même niveau nutritif que le lait naturel, je crois comprendre que le facteur coût n'est pas favorable.

M. Moore (Wetaskiwin): C'est ce que je crois comprendre et je m'en réjouis.

M. McBride: Puis-je poser une question supplémentaire?

Le président: Oui, et j'en ai une autre de M. Foster, de sorte que je ne vous en accorde qu'une.

M. Foster: Ma question se rapporte au lait vitaminé. L'automne passé, vous nous avez dit, monsieur Williams, qu'un groupe composé de représentants des provinces et du

[Texte]

this problem, and I am wondering what co-operation has taken place and what progress this Committee of federal and provincial government people have made in this problem.

Mr. Williams: I am afraid, Mr. Chairman, that I cannot report any particular progress at the moment, simply because I am not up to date in so far as their progress is concerned. This is a question of legislation; it is on the agenda for the meetings of CASSC which are to be held at the end of April, and this group should report at that time. Other than that I am afraid I cannot at this moment report any progress because I do not know what it is.

Mr. Foster: Have they been holding meetings, though?

Mr. Williams: Yes, meetings have been held.

The Chairman: Mr. McBride?

Mr. McBride: Mr. Chairman, I ask the Deputy Minister whether part of this objection—or reluctance perhaps is a better word—in the industry to sort of pick up the knowledge of the research that is being made available to them is a bit of a psychological problem growing out of the traditional idea that milk especially is nature's perfect food. It seems to me that the industry is caught on the horns of a dilemma; their very attitude in this sense almost totally prevents any flexibility to change and to adjust to medical research suggesting cholesterol problems in health from drinking milk. In other words, the dairy industry is painting itself into a corner here and is caught on this perfect food, milk, idea syndrome. This is a very serious problem and one of the most serious. Would you agree with this?

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Mr. Williams: I would say, Mr. Chairman, that the processing industry at the moment has taken quite a strong position that they are most anxious to get into some of these newer products in terms of filled milk and possibly synthetic milk. I was really referring to new uses for milk when I spoke earlier about this reluctance because of their lack of any assurance that the benefits from the money they have spent on promotion would accrue to them and not to the industry as a whole.

The processing end of the industry very definitely is making strong representations through the National Dairy Council for relaxation in provincial laws. The federal laws basically are not constraining them at pres-

[Interprétation]

gouvernement fédéral étudiaient cette question, et je me demande quelle coopération il y a eu et si ce Comité de fonctionnaires du fédéral et des provinces a réalisé quelques progrès?

M. Williams: Je crains, monsieur le président, de ne pouvoir faire rapport d'aucun progrès en particulier, parce que je ne sais pas au juste quels progrès ils ont réalisés. Il s'agit de mesures législatives. C'est à l'ordre du jour pour la réunion de la CASSC qui doit avoir lieu à la fin d'avril, et ce groupe devrait faire rapport à ce moment-là. Mais, pour le moment, je ne peux faire rapport d'aucun progrès, je ne suis pas au courant.

M. Foster: Est-ce qu'il y a eu des réunions?

M. Williams: Oui, nous avons eu des réunions.

Le président: Monsieur McBride?

M. McBride: Monsieur le président, je demande au sous-ministre si cette objection, ou l'hésitation plutôt de l'industrie à utiliser les connaissances qui leur sont offertes par la recherche, n'est pas un problème psychologique découlant du fait que traditionnellement, le lait, par exemple, est le produit alimentaire par excellence de la nature. Et peut-être qu'il y a là un dilemme, en ce sens que l'attitude de l'industrie interdit presque toute possibilité de changer et de s'adapter à la recherche médicale qui décèle des problèmes de cholestérol par suite de la consommation du lait. Autrement dit, l'industrie laitière est coincée et médusée sur cette idée du lait comme aliment par excellence. C'est là un problème très grave. Êtes-vous d'accord à ce sujet?

M. Williams: Monsieur le président, je dois dire que les industries de la transformation ont adopté une position très ferme. Ils sont très désireux de s'intéresser aux nouveaux produits, notamment, le lait vitaminé et le lait synthétique. Je parlais surtout des nouvelles utilisations du lait lorsque j'ai parlé de cette hésitation de leur part parce qu'ils n'étaient pas assurés que les bénéfices de l'argent qu'ils dépensent pour la publicité leur reviendra et non pas à l'ensemble de l'industrie.

Mais certainement les industries de transformation font connaître leurs demandes au Conseil national de l'industrie laitière pour avoir un assouplissement des lois provinciales à ce sujet. Les lois fédérales sont moins rigi-

[Text]

ent, although there are some minor constraints, but it is largely the provincial legislation against the use of filled products that presents a problem.

Mr. Moore (Wetaskiwin): Mr. Chairman, I do not believe that doctors particularly agree, at least so far as I can find from reading, on the benefits and possible harmful effects of cholesterol in dairy products, and so on, but there is one point I would like to be clear on. Possibly this concerns Health and Welfare more than it does dairying, but it certainly affected the dairy sales at one time, and that is the fact that the government used milk as a medium for testing fallout—strontium 90 in particular—and this gave a lot of consumers in the country the idea that milk was a dangerous product because it contained strontium 90. My information is that it is the safest product in this regard.

Possibly this is no longer such a serious problem because of the fact that any strontium 90 that the cow took into her system—and possibly the doctor could help us on this—by nature's method of protecting the young was taken into her tissue and more or less filtered out of the milk. Therefore, actually we are giving people in the country—the producers, in other words a false impression. Could you comment on the danger of strontium 90 in milk?

The Chairman: Mr. Williams?

Mr. Williams: Mr. Chairman, I would like to thank Mr. Moore for having given me the out by saying that this is probably the responsibility of Health and Welfare, and it is. The only other comment I would like to make is that in recent times there has been very little talk of this, and I suspect that the less talk there is about it, the better it will be for the dairy industry.

Mr. Moore (Wetaskiwin): I agree, but at one time everybody talked about it. It had very serious effects on milk sales.

The Chairman: Thank you. I recognize Mr. Danforth.

Mr. Danforth: Mr. Chairman, I would like to ask some questions about tobacco. Mr. Douglas, a Committee member, asked some questions about tobacco and I think he did it in all earnestness and with a sincere interest in the health of the nation. He asked—if I may paraphrase his remarks—whether or not the moneys allocated for research on this crop

[Interpretation]

des à ce sujet, bien qu'elles imposent certaines contraintes, mais ce sont surtout les lois provinciales qui s'opposent à l'utilisation des produits artificiels.

M. Moore (Wetaskiwin): Monsieur le président, je ne pense pas que les médecins soient particulièrement d'accord, du moins de ce que je peux constater par mes lectures, sur les avantages et les effets néfastes possibles du cholestérol dans les produits laitiers, et ainsi de suite. J'aimerais soulever un point malgré tout. Peut-être que cela concerne un peu plus le ministère de la Santé plus que l'industrie laitière, mais les ventes de l'industrie laitière ont certainement été touchées à un moment lorsque le gouvernement a utilisé le lait pour analyser les retombées du strontium 90, notamment, et pour beaucoup de consommateurs, le lait est devenu un produit dangereux parce qu'il contenait du strontium 90. A mon avis, c'est le produit le plus sûr à ce sujet.

Ce n'est peut-être plus maintenant un problème aussi grave, parce que tout le strontium 90 absorbé par la vache, et les docteurs pourront nous confirmer la chose, par le processus naturel de protection des jeunes, a été absorbé dans les tissus de la vache et en quelque sorte, ont été filtrés du lait. On donne donc aux producteurs du pays une fausse impression. Est-ce que vous avez des commentaires à faire en ce qui concerne les dangers du strontium 90 dans le lait?

Le président: Monsieur Williams?

M. Williams: Eh bien, j'aimerais remercier M. Moore d'avoir dit qu'il s'agit peut-être là de quelque chose qui relève de la santé publique, et c'est exactement le cas. Ce que je voudrais ajouter, simplement, c'est que récemment on a peu parlé de la chose et je pense que moins on en parlera, mieux ce sera pour l'industrie laitière.

M. Moore (Wetaskiwin): Je suis d'accord, mais, à un moment, tout le monde en a parlé malgré tout, cela a certainement affecté les ventes de lait.

Le président: Merci. Monsieur Danforth.

M. Danforth: Monsieur le président, j'aimerais poser des questions sur le tabac. M. Douglas, un membre du Comité, a posé une question sur le tabac et je pense qu'il l'a fait en toute honnêteté et en montrant un intérêt sincère pour la santé du pays. Il a demandé si l'argent consacré à la recherche de cette culture, ne pourrait pas être réduit, ou du

[Texte]

perhaps could be curtailed, or a greater responsibility placed in the hands of the industry itself.

On the face of it I must say that it sounds like a reasonable request. But, Mr. Chairman, I think perhaps Mr. Douglas is not aware of the fact that the value of Canadian sales of tobacco wholesale and the tax accrued from tobacco products together comprise a sum of money perhaps equal in value to the entire sales of all the grains that Canada produces, either for domestic or export use.

In the matter of research allocated to an industry, I was checking the material that the Department was kind enough to provide to us and I find that in Ontario, at the Chief research station where tobacco is the chief crop, the Department of Agriculture allocated

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39 personnel for this important work, and we are talking about a multi-million dollar crop.

In checking in Mr. Douglas' province alone, I find that personnel who are connected with the development of cereal grains or forage crops number 410, which seems to me quite a difference when we talk about perhaps allocating the moneys for research to the industry concerned.

Mr. Chairman, is there any concerted program now in effect engaged in by the tobacco industry itself at the producer, the manufacture level, working in concert with the Department of Agriculture, directed to the desire of removing the so-called harmful ingredients from the tobacco? If so, how long has this program been in effect? And could I have some idea of the governmental expenditures in this regard and the number of personnel allocated to this particular project?

Dr. Migicovsky: One of the projects at Delhi is being devoted completely to an attempt to breed tobacco with lower tars and nicotine. We have just very recently purchased equipment which is necessary for them to promulgate this particular program. You will, of course, understand that breeding tobacco with lower tars and nicotine is a very time-consuming, a rather long-time program. It is not going to happen overnight. We have put what effort we can in this and we have every hope that in due time we will improve the varieties so that they will have fewer tars and less nicotine but still retain the qualities that people want in tobacco—and this is the big trick.

[Interprétation]

moins, si on ne pourrait pas s'en remettre à l'industrie dans ce domaine.

Eh bien, je dois dire que cela semble être une demande parfaitement raisonnable. Mais, monsieur le président, je pense que peut-être M. Douglas ne sait pas que la valeur des ventes en gros de tabac et des impôts tirés des produits du tabac représentent une somme d'argent égale en valeur à la totalité des ventes de toutes les céréales vendues par le Canada à l'intérieur ou à l'extérieur du pays.

En ce qui concerne la recherche allouée à l'industrie, je regardais les documents que le ministère a eu la bonté de nous transmettre, et j'ai constaté que dans l'Ontario, la station de recherches où se trouve les laboratoires sur le tabac, il y a 39 personnes employées à

ces travaux importants de recherche puisqu'il s'agit d'une récolte de plusieurs millions de dollars.

En vérifiant ce qui se passe dans la province de M. Douglas, uniquement, j'ai remarqué que les chercheurs s'occupant des céréales étaient au nombre de 410 ce qui représente une différence quand on parle d'allocation de crédit de recherche pour différentes industries.

Monsieur le président, y a-t-il un programme concerté établi par l'industrie du tabac elle-même, à l'échelon des producteurs et des manufacturiers de concert avec le ministère de l'Agriculture? Est-ce qu'il y a actuellement, un programme en vigueur qui a pour but de chercher à supprimer les ingrédients qu'on dit néfastes du tabac. Si oui, depuis quand ce programme est-il en vigueur? Est-ce que je pourrais avoir une idée des dépenses du gouvernement dans ce domaine et du nombre de personnes qui sont intéressées dans ce projet?

M. Migicovsky: Un des projets à Delhi est consacré uniquement à cultiver des tabacs qui ont moins de nicotine et de goudron. Nous venons d'acheter du matériel, récemment, qui est nécessaire pour que ce programme soit développé. Vous comprendrez, bien sûr, que c'est un processus très consommateur de temps que de produire par hybridation du tabac ayant moins de nicotine et de goudron. Ce n'est pas une chose qui va se réaliser du jour au lendemain. Nous faisons tous les efforts possibles pour y parvenir et nous espérons qu'éventuellement nous pourrions améliorer les variétés, ce qui réduira le goudron et la nicotine tout en conservant la qualité que l'on recherche dans le tabac. C'est là le hic.

[Text]

I do not think that the health people are going to react very positively to this anyway because there has never been established what is a desirable level of tars and nicotine with respect to their cause of cancer. And tars, we must realize, have some hundreds and hundreds of chemical compounds in them. Which compounds are responsible for the toxic tar factor is not known. I daresay work is going on in various laboratories associated with health departments and medical schools trying to do some of this but as yet there have been no positive results.

Mr. Danforth: Is there a joint program at present between the Department of Agriculture, the producers and the industry in this regard, or is it on an individual basis?

Dr. Migicovsky: It is not a joint program but there is a great deal of contact, if you will, certainly between the producers of tobacco and our research people. They are in very close contact. They are within a small geographical area and they all know each other by their first names. There is also contact between the people who make the cigarettes and so on. There is contact but there is no co-ordinated project at the present time. The research project is conducted solely by the Delhi Station.

Mr. Williams: I might say this is on that particular aspect. There are others where there are co-operative projects.

Mr. Danforth: This is what I am interested in.

The Chairman: Would you yield for two supplementaries?

Mr. Danforth: If I may return to it, Mr. Chairman, I will be glad to.

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The Chairman: Mr. Roy has a supplementary.

M. Roy (Laval): Monsieur le président, lorsque j'ai soulevé la question du tabac, mardi dernier, je ne pensais pas en faire un débat. J'ai soulevé cette question à la suite d'une lettre que j'ai reçue de la Société coopérative agricole du tabac de la cité de Joliette, le 10 février.

Je ne voudrais pas me faire le défenseur de l'utilisation ou de la restriction du tabac. Je pense que cette question est actuellement assez discutée. Mais il y a des dangers dans toute production. On utilise également des céréales pour faire la boisson, et l'excès dans la boisson, comme l'excès dans le tabac, peut

[Interpretation]

Je ne pense pas que les responsables de la santé vont réagir positivement à cette étude, de toute façon, parce qu'on n'a jamais fixé la teneur souhaitable de nicotine quant aux causes du cancer. Il nous faut aussi reconnaître qu'il y a des centaines de composés chimiques dans ce produit: quel est le composé responsable de ce danger? Nous ne le savons pas. On fait beaucoup de travail à cette fin dans différents laboratoires des facultés de médecine et avec des ministères de la Santé, mais jusqu'à présent les résultats ne sont pas prometteurs.

M. Danforth: Est-ce qu'il y a un programme conjoint actuellement, entre le ministère de l'Agriculture, les producteurs de tabac et l'industrie elle-même, ou bien, est-ce que tout se fait sur une base individuelle?

M. Migicovsky: Ce n'est pas un programme conjoint, mais il y a de nombreux contacts et très étroits entre les producteurs de tabac et nos chercheurs; ces contacts sont très étroits dans de petites régions géographiques: ces gens se connaissent tous par leur prénom. Et il y a également des contacts entre les gens qui fabriquent les cigarettes. Autrement dit, il y a des contacts, mais il n'y a pas de projet coordonné proprement dit. Le programme de recherches se poursuit uniquement à la station à Delhi.

M. Williams: Je dois dire que c'est là un seul aspect. Il y a d'autres cas où il y a des programmes coordonnés.

M. Danforth: Voilà ce qui m'intéresse.

Le président: Céderiez-vous la place à deux questions supplémentaires?

M. Danforth: Si je pouvais revenir plus tard, à mon sujet, j'en serais heureux.

Le président: M. Roy, une question supplémentaire.

Mr. Roy (Laval): Mr. Chairman, when I raised the question of tobacco on Tuesday last, I did not want to make a debate of it. I brought this question up because of a letter that I had received from the Tobacco-growers' Co-operative of the city of Joliette, on February 10.

I would not like to become the defender of either the use or the restriction of tobacco. I believe that this question is being discussed to quite some extent at the present time. But there are dangers in all kinds of production. Grains are also used for making alcoholic beverages, and excessive drinking can be

[Texte]

devenir nuisible. Je voudrais répondre à M. Douglas au sujet d'un aspect économique.

M. Clermont: J'en appelle au Règlement, monsieur le président. Je vous ferai remarquer que notre collègue ne pose pas une question supplémentaire.

M. Roy (Laval): J'arrive à la question supplémentaire, monsieur Clermont.

Pour faire suite à M. Danforth, j'ai ici les chiffres. Au point de vue de producteurs, cela représente 1,400 producteurs dans la région de Québec, et 95 p. 100...

M. Clermont: Je m'oppose, monsieur le président. Ceci n'est pas une question supplémentaire. Ceux qui ont demandé le droit de poser des questions, voient leur temps s'écouler.

M. Roy (Laval): Je m'excuse, je veux simplement apporter des chiffres. Cela va prendre trois minutes.

M. Clermont: Monsieur Roy, vous auriez pu peut-être donner ces chiffres lorsque vous aviez la parole. Mais, à tout événement...

M. Roy (Laval): Merci. C'est qu'on discute actuellement du tabac.

Oui, très bien. J'ai ici les chiffres. Quant aux tabacs à cigares, 95 p. 100 sont manufacturés au Québec. Les salaires payés par cette industrie sont au-delà de 5 millions de dollars. Le montant des taxes que le gouvernement fédéral reçoit est, pour les droits d'accise, \$1 million; pour les taxes d'accise, \$3 millions; pour les taxes de vente, \$2 millions. Le budget qui est investi à la ferme de recherches, là-bas, représente moins de 1 p. 100 du revenu que l'on perçoit des taxes. De plus en plus, on remarque une importation considérable. Il y a une augmentation d'au-delà de 70 p. 100 dans l'importation des tabacs à cigares. Il s'ouvre des nouveaux débouchés, comme dans d'autres domaines, par exemple, le marché pour le «cigarellon». C'est pourquoi je demande d'étudier la possibilité de ne pas perdre l'industrie du tabac au Canada, qui, au point de vue de perception de taxes, est certainement rentable. Je vous remercie de votre collaboration.

M. Clermont: Je m'excuse de nouveau, monsieur le président. Je suis président d'un comité qui doit siéger à 11 heures. L'interprétation des questions supplémentaires est changée dans les comités, je regrette beaucoup. Je sympathise avec M. Roy, mais ce n'est pas une question supplémentaire. Ce sont des commentaires au sujet de commen-

[Interprétation]

harmful, just like excessive smoking. I would like to answer Mr. Douglas with respect to an economic aspect.

Mr. Clermont: Mr. Chairman, on a point of order. I wish to point out that this is not a supplementary question.

Mr. Roy (Laval): I am coming to my supplementary question, sir.

To follow up what Mr. Danforth was saying, I have figures with me. From the viewpoint of the producers, that represents 1,400 producers in the Quebec City area, and 95 per cent...

Mr. Clermont: Mr. Chairman, I object. This is not a supplementary question. As a result, time is running for those who have their names on the list to ask questions.

Mr. Roy (Laval): I am sorry, this is just to bring forward some figures. It will take only three minutes.

Mr. Clermont: Mr. Roy, you could have given these figures when you had the floor. But, anyhow...

Mr. Roy (Laval): Thank you. It is because we are now talking about tobacco. Yes, all right. I have the figures with me. With regard to cigar tobacco, 95 per cent is manufactured in Quebec. The wages paid by that industry amount to \$5 million. The amount the Federal Government collects in taxes is as follows: \$1 million for excise duties, \$3 million for excise taxes, and \$2 million for sales taxes. The budget that is invested in the Experimental Farm there, represents less than 1 per cent of the income drawn from taxation. More and more, we notice that imports are considerable. There is an increase which exceeds 70 per cent for the import of cigar tobaccos. New markets are opening up—like in other fields—take, for instance, the “cigarillo” market. This is why I would ask to study the possibility of not losing the tobacco industry in Canada which is a very profitable industry for taxation purposes. Thank you very much for your co-operation.

Mr. Clermont: I apologize again, Mr. Chairman. I am Chairman of a Committee that has to meet at 11 o'clock. The interpretation of supplementary questions have been changed in committees, I am very sorry. I appreciate Mr. Roy's point of view, but it is not a supplementary question. It is comments that he wanted to make on previous comments made

[Text]

taires que notre collègue, M. Douglas, avait faits au début de la séance. Je me vois dans l'obligation, à cause de conflits d'horaires entre comités, de m'absenter.

J'avais donné mon nom pour poser des questions, ce sera pour la prochaine fois. Merci.

The Chairman: Thank you, Mr. Clermont. I recognize Mr. McBride on a brief supplementary.

Mr. McBride: In view of Mr. Clermont's comment, several things that have come out of the Department of National Health and Welfare ought to be entered into the record here, but I will put my name on the list and forgo them. I think this tobacco dialogue has been rather misleading according to what is coming out now from the Department of National Health and Welfare.

The Chairman: Thank you. I have placed your name on the list. I will return to Mr. Danforth.

Mr. Danforth: Mr. Chairman, I can appreciate the concern of the various members of the Committee on this particular problem and I have a series of questions that I would like to direct on this which I feel are important on behalf of the industry. Instead of my pursuing this line of questioning at the present time I wonder if the Committee would not be of a disposition to entertain this one particular question at a definite meeting in order that we might have representation from the Department of National Health and Welfare here and perhaps representation directly connected with tobacco research in order that the Committee might be able to go into this in depth. I feel that the citizens of Canada are directly interested in it on a health basis, and

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I think the members of the Committee are very right to express a concern in this regard.

On the other hand, I think we have a very, very large and very vital Canadian industry involved and I think perhaps the onus is on us as committee members to obtain as much information as possible in order that we may make recommendations with regard to expenditures in research. Therefore, Mr. Chairman, if the Committee is willing perhaps to accept my suggestions in this regard, I will at this time forgo any further questions in this vein.

The Chairman: Thank you for forgoing. The suggestions I think should probably be discussed by the steering committee as to

[Interpretation]

by Mr. Douglas at the beginning of the meeting. I am bound, because of conflicting time schedules, to leave.

I had given my name to ask questions, but it will be for next time. Thank you.

Le président: Merci, monsieur Clermont. Monsieur McBride a une courte question supplémentaire.

M. McBride: Étant donné les remarques de M. Clermont, plusieurs renseignements venus du ministère de la Santé devraient être discutés, mais je cède. Je pense que ce dialogue sur le tabac a été relativement trompeur.

Le président: Très bien, alors. Monsieur Danforth.

M. Danforth: Monsieur le président, je comprends très bien l'inquiétude des membres du Comité à ce sujet et j'ai toute une série de questions que j'aimerais poser à ce sujet. Je les considère comme importantes pour l'industrie et ce que je me demande, c'est si, au lieu de poursuivre ce genre de discussion maintenant, le Comité ne pourrait pas aborder cette question en particulier pour que nous puissions à l'avenir entendre des représentants du ministère de la Santé publique et peut-être même un représentant des services de recherches sur le tabac; ainsi le Comité puisse étudier la question en profondeur parce que j'ai le sentiment que les citoyens du Canada sont intéressés à cet aspect de la question, au point de vue santé,

et que les membres du Comité ont parfaitement le droit d'exprimer leur inquiétude à ce sujet.

D'autre part, je considère qu'il s'agit d'une industrie très importante et très grande. Je pense qu'il serait à nous, les membres du Comité, d'obtenir tous les renseignements nécessaires pour pouvoir faire des recommandations concernant les dépenses élevées, pour la recherche. Par conséquent, si le Comité s'entend pour accepter ma suggestion à ce sujet, je vais laisser tomber mes questions.

Le président: Merci d'avoir fait cette suggestion. Je crois que le comité directeur va devoir déterminer s'il serait à propos d'avoir

[Texte]

whether or not there would be an opportunity to convene a joint meeting with representatives of the Department of National Health and Welfare.

Mr. Danforth: I will accept that, Mr. Chairman.

Mr. Foster: Mr. Chairman, may I make a comment?

The Chairman: I should first recognize Mr. Clermont and then Mr. Southam.

Mr. Clermont: I do not want any privilege or favour.

The Chairman: You are next on my list, Mr. Clermont. I recognize you.

Mr. Clermont: Thank you, Mr. Chairman.

Lorsque M. Douglas a fait ses commentaires au sujet de l'industrie du tabac, il a bien dit que c'était des commentaires personnels. Lorsque le ministre de l'Agriculture a commenté les paroles de M. Douglas, il a répondu que, tant et aussi longtemps que la vente du tabac serait légale au Canada, il ne voit pas pourquoi le ministère de l'Agriculture, dans son secteur des recherches, ne dépenserait pas des sommes pour aider les producteurs de tabac.

Je remarque qu'au crédit 5, monsieur le président, avec un effectif inférieur à 1968-1969, l'augmentation des salaires pour 1969-1970 représente plus de \$4 millions.

Monsieur le président, est-ce que cette augmentation est le reflet d'une augmentation générale des salaires à ce crédit?

The Chairman: Mr. Williams.

Mr. Williams: I am afraid, Mr. Clermont, that I cannot give you an exact breakdown for the Research Branch, but for the department as a whole the increase is covered by two items, that is, retroactive increases that were obtained through collective bargaining in the current year 1968-69 which are not reflected in those estimates that you see in front of you, the old year estimates. For the department as a whole, for example, we were provided with \$68,627,000 for salaries in the current year but that was increased, by special allocations to cover increases gained through collective bargaining, to \$75,845,000. This year we are provided with \$76,615,000, so the true increase this year as compared with last year is something less than \$1 million.

[Interprétation]

une réunion conjointe avec les représentants du ministère de la Santé nationale et du Bien-être social.

M. Danforth: Et j'accepte cette décision, monsieur le président.

M. Foster: Monsieur le président, puis-je faire une suggestion?

Le président: La parole est à M. Clermont, ensuite à M. Southam.

M. Clermont: Je ne demande pas de privilège ni de faveur.

Le président: Vous êtes le suivant sur ma liste.

M. Clermont: Merci, monsieur le président.

When Mr. Douglas made his comments regarding the tobacco industry he mentioned clearly that these were personal comments. And when the Minister of Agriculture made his comments on Mr. Douglas' comments, he said that as long as the sale of tobacco is legal in Canada, he sees no reason why the Department of Agriculture, in its field of research, should not spend money to help the tobacco producers.

I notice that under vote No. 5, Mr. Chairman, with a staff that is less than in 1968-69, the increase in wages for 1969-70 amounts to more than \$4 million.

Mr. Chairman, is this increase the result of a general increase in wages in this vote?

Le président: Monsieur Williams?

M. Williams: Je m'excuse, monsieur Clermont, de ne pouvoir vous donner la ventilation exacte de la division de la recherche, mais, disons, que pour l'ensemble du ministère l'augmentation est couverte par deux crédits, c'est-à-dire les augmentations rétroactives obtenues par les négociations collectives au cours de l'année, c'est-à-dire 1968-1969, qui ne figurent pas dans les prévisions que vous avez sous les yeux, c'est-à-dire les prévisions de l'année dernière. Pour l'ensemble du ministère, par exemple, on nous a alloué \$68,627,000 pour les salaires de l'année courante mais cela a été augmenté par des crédits supplémentaires pour couvrir les augmentations de salaires obtenues grâce aux conventions collectives et atteindre \$75,845,000. Cette année, nous avons \$76,615,000, par conséquent, l'augmentation en dollars de cette année apparaît ici et c'est quelque chose qui en fait est inférieure à un million de dollars par rapport à l'année précédente.

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M. Clermont: Merci, monsieur Williams. Ma deuxième question, monsieur le président, devrait peut-être être adressée aux représentants de la Commission des grains, mais je vais tout de même la poser. Lors de notre visite dans l'Ouest, nous avons été reçus par la Commission canadienne du blé et par la Commission des grains et j'avais posé la question suivante: Est-ce qu'on fait des recherches pour trouver d'autres espèces de grains de provenance? Je crois que certaines représentations ont été faites dans le passé, monsieur le président, demandant que des recherches soient faites pour trouver d'autres espèces de grains de provenance; car, ceci est un secteur très important pour l'Est du Canada.

The Chairman: Mr. Williams.

Mr. Williams: I must apologize, Mr. Chairman, but I am afraid I did not get the import of Mr. Clermont's question.

M. Clermont: Monsieur le président, je crois qu'il y a eu des représentations. Ma question devrait peut-être s'adresser aux représentants de l'Office canadien des provenances plutôt qu'à vous, monsieur Williams. Lors de notre voyage dans l'Ouest en 1967, je crois, nous avons été reçus par les représentants de la Commission canadienne du blé et de la Commission des grains et j'avais posé la question suivante: Est-ce qu'il se fait des recherches dans le secteur des grains de provenance pour trouver d'autres espèces que celles employées présentement?

Mr. Williams: I think I can answer the question in part. The Board of Grain Commissioners, which comes under this department, does research work in the utilization of cereals for human use, not for feeds. They are doing no work whatsoever in that area and the Canadian Wheat Board does not do any biological research at all. However, within the Department we are doing work on newer feeds. I think Dr. B. B. Migicovsky pointed out one element of it, the increased use of rapeseed meal through certain changes in processing and breeding practices. In connection with rapeseed meal, I believe at one point you were limited to a maximum of 15 per cent in any protein concentrate because of possible adverse effects of certain of the contents in it.

I think at the present time research is able to provide a meal that can be used almost exclusively as a source of protein without any detrimental effects to the animals or poultry to which it is fed. However, we are doing

[Interpretation]

Mr. Clermont: Thank you, Mr. Williams.

My second question, Mr. Chairman, could perhaps be asked to the representatives of the Board of Grain Commissioners, but I will still ask it. When we visited the West we were received by the Canadian Wheat Board and the Board of Grain Commissioners, and we had asked the following question: Is there any research done in order to find new types of feed grain? I think that representations were made in the past, Mr. Chairman, asking for research to be made in this field so as to find new types of feed grain, because this is an extremely important sector for the eastern part of Canada.

Le président: Monsieur William.

M. Williams: Je m'excuse, monsieur le président, je n'ai pas compris la question de M. Clermont.

Mr. Clermont: Mr. Chairman, I believe there were representations. Maybe my question should be put to the representative of the Canadian Feed Board rather than to you, Mr. Williams. When we visited the West in 1967, I believe, we were received by the representatives of the Canadian Wheat Board and of the Board of Grain Commissioners, and I had asked whether there was any research done in the feed grain sector to find new types of grain.

M. Williams: Je pense que je peux répondre à la question en partie. La Commission des grains, qui relève de ce Ministère effectue des travaux de recherches portant sur l'utilisation des céréales pour la consommation humaine et non pour les animaux. Aucun travail n'est fait dans ce domaine actuellement et la Commission canadienne du blé ne fait rien pour sa part en matière de recherches biologiques. Cependant nous effectuons, au sein du Ministère, des recherches sur de nouvelles provenances. Le Dr. B. B. Migicovsky en a indiqué un élément, l'utilisation toujours plus grande de la farine de colza grâce à certaines modifications dans le processus de transformation et d'alimentation des animaux. Je pense qu'à un certain moment vous étiez limité à un maximum de 15 p. 100 dans tout concentré de protéines à cause des effets néfastes possibles qu'il pourrait y avoir.

Je pense qu'actuellement la recherche est en mesure de développer une farine qui peut être utilisée presque exclusivement comme

[Texte]

some work in that area but it is not within the Board of Grain Commissioners.

M. Clermont: Merci, monsieur le président. Je m'excuse si, après mes questions, je dois m'absenter. J'ai donné la raison tantôt. Merci beaucoup.

The Chairman: I recognize Mr. Smith.

Mr. Smith (Saint-Jean): Mr. Chairman, I would like to ask a question regarding the research station at Ste. Clothilde, Quebec. We realize that in that section there are perhaps something like 50,000 acres being cultivated and it is principally used for market gardening. Does the Department intend to reactivate that station? There does not seem to be too much going on there.

Dr. Woodward: As you know, Mr. Chairman, our organization is organized around St. Jean as the central station, with one substation at Ste. Clothilde, one on the mineral soils and another one in the Frelighsburg area on tree fruits. I think I explained the other day that we had a problem in obtaining mature staff for our horticultural program. Our horticultural program on the muck soils at Ste. Clothilde is going ahead and we will be spending approximately \$500,000 in our St. Jean-Ste. Clothilde group program on horticultural crops in this area of western Quebec.

Mr. Smith (Saint-Jean): A supplementary, Mr. Chairman. Do you have any idea how many people are employed at this time at Ste. Clothilde station?

Dr. Woodward: Mr. Chairman, Ste. Clothilde is a part of our St. Jean station, so that the professional officers are head-quartered at St. Jean, sir, and there is just a subprofessional staff at Ste. Clothilde. However, I want to emphasize that we have no intention of phasing out the work at Ste. Clothilde; rather, it is a plan to strengthen it.

Mr. Smith (Saint-Jean): Very good. Thank you.

Mr. Southam: May I ask a supplementary to this question, Mr. Chairman? In this

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source de protéines sans aucun effet néfaste aux animaux ou à la volaille. Disons que nous effectuons certaines recherches dans ce domaine, mais ce n'est pas dans le cadre de la Commission canadienne des grains.

Mr. Clermont: Thank you, Mr. Chairman. I am sorry that I have to leave after asking my questions, but I gave the reasons for that before. Thank you very much.

Le président: Merci, monsieur Clermont. La parole est à M. Smith.

M. Smith (Saint-Jean): Monsieur le président, si vous me permettez, je voudrais poser une question sur le Centre de recherche à Sainte-Clothilde (Québec), et nous savons très bien qu'à cette station il y a environ 15,000 acres de culture et surtout pour les fruits et légumes. Ce que je voudrais savoir c'est si le ministère a l'intention de stimuler cette station parce qu'elle ne semble pas être très active actuellement et c'est ce que je voudrais savoir pour le moment?

M. Woodward: Monsieur le président, comme vous le savez notre organisation est établie dans les environs de Saint-Jean comme station centrale, avec une station secondaire se trouvant à Sainte-Clothilde, une autre qui fait de la recherche sur les sols minéraux et une autre dans la région de Frelighsburg sur les arbres fruitiers. Et je crois que l'autre jour j'ai expliqué que nous avions des difficultés à obtenir le personnel nécessaire pour notre programme horticole. Notre programme de recherche horticole sur les sols enrichis va bon train et nous dépenserons environ \$500,000 pour le programme en cours dans la région de Sainte-Clothilde, Saint-Jean sur les cultures horticoles dans l'ouest du Québec.

M. Smith (Saint-Jean): Une question complémentaire, monsieur le président. Est-ce que vous avez une idée du nombre de gens qui travaillent en ce moment à Sainte-Clotilde?

M. Woodward: Monsieur le président, Sainte-Clotilde fait partie de notre station de Saint-Jean. Par conséquent, les chercheurs professionnels se trouvent à Saint-Jean, et il n'y a à Sainte-Clotilde qu'un personnel professionnel secondaire. Cependant ce que je voudrais dire c'est que nous n'avons absolument pas l'intention de supprimer les activités à Sainte-Clotilde; au contraire, elles seront renforcées.

M. Smith (Saint-Jean): Merci.

M. Southam: Une question complémentaire. Dans ce processus de suppression est-ce qu'il

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process of phasing out some of our experimental farms, is it a fact that the experimental farm at Indian Head is being phased out? If so, where will the work be carried on that was formerly carried on there? I am speaking of Indian Head, Saskatchewan.

Dr. Woodward: Mr. Chairman, there has been some reorganization of our effort as between Regina and Indian Head, but there are no plans to phase out Indian Head as a research station. There are plans to have our major research laboratory located at Regina, for what we consider to be sound reasons. This is at the headquarters of the provincial government and is also at the site of the university at Regina. So that in respect of a location for our main group of research officers for the Regina Indian Head area our plans are to consolidate our main research offices at Regina just as we have in Quebec with St. Jean and Ste. Clothilde.

The Chairman: Thank you. I recognize Mr. Korchinski. May I point out to the Committee that we are not confined to the 11 o'clock adjournment this morning; we can go on until 11.45.

Mr. Korchinski: Mr. Chairman, was the Department in any way involved in research which resulted in what appears to be a new process of manufacturing whole milk, maintaining it in containers without refrigeration and so on? I do not know whether the Department was involved in it or whether this was private initiative.

Dr. Migicovsky: The Department has not been involved in this kind of research. It is true that work has been done, largely in the United States originally, on the sterilization of milk and packaging so that its shelf life will be much longer than it is now.

Mr. Korchinski: Are you keeping an eye on that process?

Mr. Migicovsky: Yes. It must be understood that we are not only confined to the research that we do here in Canada; our scientists are aware and keep in touch with scientists all over the world and are "au courant" with all the work being done no matter where it is. In fact the great value in having scientists is not only for the work they do but for what they learn and ascertain so that we can use it here in Canada to our advantage.

Mr. Korchinski: Other than the work that is being done in upbreeding of animals, feed conversion and so on, is there much work being done in providing some sort of a stimulant such as was the case with stilbestrol and

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est exact que la ferme de Indian Head sera supprimée? S'il en est ainsi, comment compte-t-on poursuivre les travaux qui s'y faisaient? Il s'agit de Indian Head en Saskatchewan.

M. Woodward: Monsieur le président, nous avons fait des travaux de réorganisation entre Régina et Indian Head et rien n'est prévu pour fermer la station de recherches de Indian Head. Par contre, on prévoit établir notre principal laboratoire de recherches à Régina, ce qui, d'après nous, constitue la meilleure chose à faire. Par conséquent, en tant qu'emplacement pour ce centre de recherches, Régina va être renforcé de même que cela a été fait au Québec pour Saint-Jean et Ste-Clotilde.

Le président: Merci. Monsieur Korchinski. Je dois indiquer au Comité que nous n'avons pas à finir à 11 heures; nous pourrions aller jusqu'à 11 h. 45 ce matin.

M. Korchinski: Monsieur le président, je voulais savoir si le ministère s'occupait de la recherche qui a abouti à un nouveau procédé pour le traitement du lait entier et le maintenir dans des contenants sans réfrigération. Je ne sais pas si le ministère s'est occupé de cela ou si c'est l'initiative privée qui en est responsable.

M. Migicovsky: Non, il est vrai qu'on a fait des travaux de recherches aux États-Unis au sujet de la stérilisation du lait et probablement que le lait se conservera beaucoup plus longtemps qu'actuellement.

M. Korchinski: Est-ce qu'on suit les développements du procédé?

M. Migicovsky: Oui. Nous ne sommes pas limités aux recherches que nous effectuons ici au Canada. Nos hommes de science se tiennent au courant des progrès à travers le monde entier et sont au courant de tous les progrès enregistrés. Non seulement nos hommes de science nous sont-ils utiles grâce à leurs propres recherches, mais aussi parce qu'ils se tiennent au courant de ces développements.

M. Korchinski: L'autre domaine au sujet duquel je voulais poser une question à part le travail qui s'est fait dans l'amélioration de la reproduction du bétail, y a-t-il de nombreuses études concernant les stimulants tels que le

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so on? Is other research being done in this area to see if another chemical or some other additive might be produced which would not have any side effects?

Mr. Williams: The short answer is yes, Mr. Korchinski, there is other work being done along these lines. The one I can cite, for example, is investigations into the use of nicotine in producing leaner hog carcasses.

Mr. Korchinski: I wonder if you could just elaborate on what your results were in this case, because it might just be an answer to perhaps the problem that was discussed here earlier.

Mr. Williams: The preliminary results indicate that with certain levels of nicotine intake there is a decrease in the deposition of fat and an increase in the deposition of protein and lean meat in hog carcasses. But I must emphasize these are preliminary results. I would say that it has gone far enough that the Department of Agriculture has applied for a patent.

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Mr. Korchinski: Now that stilbestrol has been in use for a few years have you been able to detect any other side effects that may have been produced as a result of its use?

Mr. Williams: If you are referring to side effects in the animals themselves, there are areas where this could cause some problems and as a consequence the instructions in respect of feeding feeds that contain stilbestrol indicate the classes of stock to which it should be fed. No known side effects have ever been detected in respect of the human population because of these feed additives being used in the diet of animals.

Mr. Korchinski: How closely do you check the use of stilbestrol in respect of products consumed by humans?

Mr. Williams: This is a function of the Food and Drug Directorate and it is done on a continuing sampling basis of products entering the markets.

Mr. Korchinski: I know that there is a lot of work being done privately by individuals, breeders of cattle, and so on, but I wonder whether you have some particular project under way with the idea of perhaps producing the kind of cattle that the market may require in a few years. I am thinking in terms of the consumer perhaps demanding larger steaks, less fat and so on. Other than

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stilbestrol? Y a-t-il d'autres recherches faites dans ce domaine pour voir si oui ou non un autre produit chimique ou des additifs pourraient être ajoutés sans créer des effets secondaires?

M. Williams: La réponse est «oui». On fait des travaux de recherche dans ce domaine. Il y a eu des études sur l'utilisation de la nicotine, afin de produire des porcs maigres.

M. Korchinski: J'allais poser une question à ce sujet-là. Voulez-vous me donner plus de détails? Quels ont été les résultats? Cela nous donnerait peut-être la solution au problème qui a été cité plus tôt.

M. Williams: Les rapports préliminaires indiquent qu'à des niveaux d'absorption de nicotine, il y a une diminution dans les dépôts de gras et une augmentation des protéines et de la chair dans les carcasses de porcs. Je dois souligner qu'il s'agit là des résultats préliminaires. Je pense que le ministère de l'Agriculture a demandé un brevet.

M. Korchinski: Dans le cas de l'utilisation du stilbestrol, savez-vous qu'on l'utilise depuis quelques années? Avez-vous détecté des effets contraires consécutifs à l'utilisation de ces produits chez les animaux eux-mêmes?

M. Williams: Oui, cela pourrait susciter des problèmes et les directives au sujet des moulées qui contiennent du stilbestrol spécifient les quantités à donner au bétail et à quel genre de bétail. Il n'y a pas d'autres effets qui ont été constatés sur les personnes humaines.

M. Korchinski: Jusqu'à quel point vérifiez-vous l'utilisation du stilbestrol dans la vente pour la consommation du public?

M. Williams: C'est au ministère de la Santé d'y voir, ce sont les fonctionnaires de ce ministère qui examinent les produits qui sont mis au marché.

M. Korchinski: Voulez-vous nous donner plus de détails, nous expliquer la quantité de travail qui s'effectue? Je sais que des individus et que des éleveurs de bétail s'occupent de recherches, mais avez-vous vous-mêmes un projet sur pied en vue d'améliorer le bétail qui sera en vogue sur le marché? Je songe aux consommateurs qui voudront peut-être des steaks plus grands avec moins de

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the work being done by private breeders, is the Department involved in a cross-breeding program of their own?

Mr. Williams: We certainly work in this area, and at several places. The major one is at our experimental research station at Lethbridge, Alberta. There, all beef breeds and several dairy breeds are involved in a very major cross-breeding experiment designed exactly along the lines that you have mentioned. It involves complete carcass evaluation of all animals and it involves not only first generation crosses but second generation crosses as well.

Mr. Korchinski: What has happened with the program undertaken several years ago in which there was an effort to cross cattle with buffalo resulting in an animal known as "cattalo".

Mr. Williams: The program has been discontinued.

Mr. Korchinski: What was the reason for dropping that program? Did it not produce the required result?

Mr. Williams: The basic problem was associated with fertility. A great deal of original research work was done which has been well recorded and well documented, but the economic benefits were not found to be of any particular specific value in so far as the beef cattle industry in Canada is concerned. However, a great deal of original research work was done in this matter. Major problems were encountered but this was not the reason for dropping it. The reason that it was dropped was that it was determined that these animals did not have any particular economic merit. The major problems were associated with fertility and calving problems.

Mr. Korchinski: I understand that there is an animal coming out known as a "Hays heifer". Is the Department interested in coming out with an entirely new breed or would they far rather direct the research at this time toward continued cross-breeding. What is the attitude at the present time?

Mr. Williams: I would say that in so far as the Department's attitude is concerned, they are not committed to either a continuing program of cross-breeding or the development of newer breeds. Our sole interest is in maintaining the animals that are best suited for Canada. We have sponsored cross-breeding and we have done some work on the development of new breeds.

As you are well aware, we have brought into this country for experimental use only

[Interpretation]

gras. Est-ce que le ministère s'occupe des études de croisement de races telles qu'elles se font par les éleveurs privés?

M. Williams: Nous faisons des travaux de recherche dans ce domaine. C'est à Lethbridge, en Alberta que nos projets les plus importants s'effectuent et nous avons un programme de très grande envergure qui est destiné aux fins que vous nous mentionnez. On évalue non seulement les carcasses de tous les animaux, non seulement de la première génération, mais aussi de la deuxième.

M. Korchinski: Et qu'est-ce qui s'est passé dans le programme où on a essayé de croiser des bovins avec des bisons.

M. Williams: Le programme a été discontinued.

M. Korchinski: Pourquoi? Est-ce que vous n'avez pas obtenu les résultats escomptés?

M. Williams: Le problème avait trait à la fertilité. Il y a eu beaucoup de recherches originales très bien documentées, mais les avantages économiques n'avaient aucune valeur spécifique en ce qui concerne l'industrie de la viande. On a laissé tomber le programme parce que les animaux n'étaient pas d'un rendement suffisant. Les problèmes majeurs étaient associés à la fertilité des animaux.

M. Korchinski: On est en train de produire un animal qui a pour nom «Génisse Hayes» ou quelque chose du genre. Pourriez-vous nous donner une idée de quoi il s'agit? Pouvez-vous répondre à la question? Est-ce que le ministère s'intéresse à développer un autre animal? Quelle est l'attitude du ministère à ce sujet?

M. Williams: Le ministère ne s'est pas engagé à continuer un programme de croisement des races, ni à développer un nouvel animal. Nous voulons produire les animaux qui sont les plus avantageux au Canada. Nous avons le croisement de races et le développement de nouveaux animaux. Comme vous le savez, nous avons importé en ce pays pour utilisation expérimentale de nouvelles races. Nous avons le limousin qui est à Grosse Île actuellement et que nous transférons à Bran-

[Texte]

two new breeds within the last two years. We have the Limousin presently in Grosse Ile and they will go to our station in Brandon, and there is a small herd of Pie Rouge, the French Simenthal, presently located at Lacombe, Alberta. It may be possible that you people will be seeing it.

Mr. Whicher: What about the Hays breed?

Mr. Williams: I have seen it, I can describe it to you and it has been on tests. The question was asked if the department was involved in this. This breed has been tested—bulls of this breed have been tested for performance—by the province under federal supervision.

Mr. Korchinski: I want to ask a few questions with regard to the artificial insemination program. I wonder if any further research is being conducted along this line. I realize the value of artificial insemination and so on but I also realize some people take the attitude that it is a little more cumbersome to administer and at the same time some people feel that it is more expensive. I wonder if research actually is being conducted to make it so inexpensive that it hardly would be advisable for the small herd owner to even maintain a bull. Is any work being conducted in that regard or are there any obstacles...

Mr. Williams: We are not conducting any work in that area. Artificial insemination now is well established and is in the public domaine. The only research work on the artificial insemination of cattle is being done by the various breeders organizations or the artificial insemination organizations. We do work on the physiology of reproduction. We are working in one area with sheep on the synchronization of oestrus aimed at shortening the lambing period. We also are doing some work on the physiology and reproduction in swine which involves the use of artificial insemination for swine where the program is not well developed or, at least, the technique is not well developed.

Mr. Korchinski: Is it the hope of the Department that there would be greater use of artificial insemination programs or are they quite satisfied that perhaps there is a need also for the maintenance of bulls on farms as is done at the moment? Are they satisfied that this program is progressing at a reasonable pace at the present time?

Mr. Williams: This is a matter of opinion, but it would be my personal opinion and, I think, the opinion of the Department that by and large artificial insemination is proceeding

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don. Nous avons un petit troupeau de pies rouges, qui sont des Simmenthal françaises, qui est actuellement à Lacombe, en Alberta. Vous les verrez peut-être.

M. Whicher: A propos du croisement Hayes? ...

M. Williams: Je l'ai vu, je peux vous le décrire, et on a effectué des essais à ce sujet. On a demandé si le ministère y a participé. Cette race a subi des tests—notamment les taureaux—dans la province, sous la surveillance du gouvernement fédéral.

M. Korchinski: Je veux poser quelques questions quant à l'insémination artificielle. Est-ce qu'on a fait d'autres recherches à ce sujet? Je reconnais l'utilité de l'insémination artificielle, mais certaines personnes constatent que le programme est difficile à mettre en application et certains pensent que c'est une méthode trop coûteuse. Est-ce qu'on a entrepris des recherches pour rendre l'insémination artificielle si peu coûteuse que le petit éleveur n'aurait même pas besoin de garder un taureau? Est-ce qu'on a fait des recherches à ce sujet, ou y a-t-il des obstacles...

M. Williams: Nous ne faisons pas de recherches dans ce domaine-là. L'insémination artificielle est bien établie et fait partie des connaissances du public. Les seules recherches au sujet de l'insémination artificielle du bétail sont faites par les associations d'éleveurs ou les organisations qui s'occupent d'insémination artificielle. Nous travaillons sur la physiologie de la reproduction. Nous travaillons sur la synchronisation du rut chez les brebis, pour raccourcir la période de l'agnelage. Nous travaillons aussi sur la physiologie et la reproduction des porcs, ce qui implique l'usage de l'insémination artificielle lorsque le programme n'est pas au point, ou, ou moins, la technique.

M. Korchinski: Est-ce que le ministère espère que l'on utilisera l'insémination artificielle sur une plus grande échelle? Ou le ministère est-il satisfait du fait qu'il faut encore garder des taureaux sur les fermes? Est-ce que le programme progresse actuellement de façon satisfaisante?

M. Williams: C'est une question d'opinion, mais je suis d'avis, et le ministère est d'avis, je pense, que l'insémination artificielle est utilisée de façon satisfaisante. L'obstacle est

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at a regular and orderly pace. The major problem associated with artificial insemination programs that faces us at the present time is the identification of bulls of superior genetic worth. We are doing some work on that aspect of it whereby we use young bulls for a very short period and then do not use them again until their progeny have been tested—this is particularly applicable in respect of the dairy cattle—but if there is a major problem that is holding up artificial insemination in the dairy business, it is the question of the identification of superior sires.

In the beef industry, the problems are largely management. I am sure you gentlemen may recall a discussion in this Committee about the use of artificial insemination in small beef herds in eastern Canada when at least one of the members of the Committee stated it was completely impractical, from a management standpoint, particularly where a man only has a few beef cows out to pasture.

Mr. Korchinski: This may be a side question, but are there any areas in Canada where you do not have a purebred sire area?

Mr. Williams: I am not sure that I follow your question, Mr. Korchinski.

Mr. Korchinski: I understand that there are purebred sire areas and there has been legislation in this regard but I do not know whether or not this is under provincial administration.

Mr. Williams: There is no federal legislation on purebred sire areas, but some provinces have legislation.

Mr. Korchinski: I have one more question to ask and then I will forego. I think a lot of the answers with regard to the development of feed grains indicated a trend towards the production of a multi-variety and as a result of this experimentation they have perhaps come up with a good feed barley. However, there seems to be an attitude prevalent in the industry that there has not been enough research done on the production of a good feed barley with a higher yield for use, particularly, in the northern regions where we are subjected to frost and so on. I wonder if you could elaborate briefly on the work being done in that area?

Mr. Williams: If I could say one word to start with, the Department was honoured a short time ago when one of the research officers in this Department received the highest level of merit award—a \$2,500 award—from the Public Service Commission for his work in barley breeding. At that time it was estimated that the value of his work and that

[Interpretation]

l'identification des taureaux de valeurs génétiques supérieures. Nous faisons des travaux à ce sujet et nous utilisons de jeunes taureaux pour une période très brève, puis nous ne les utilisons pas de nouveau, avant d'avoir vu quelle est la progéniture,—ce qui s'applique particulièrement aux vaches laitières,—mais l'obstacle principal dans l'insémination artificielle, dans l'industrie laitière, c'est l'identification des taureaux de valeurs reconnues.

Dans l'industrie du bœuf, c'est la gestion qui pose des problèmes. Vous devez vous souvenir d'une discussion, dans ce Comité, au sujet de l'utilisation de l'insémination artificielle des petits troupeaux de l'Est du Canada. Au moins un d'entre vous a déclaré que le projet n'est pas viable du point de vue de la gestion, lorsqu'un fermier n'a que quelques vaches en pâture.

M. Korchinski: Une question secondaire. Y a-t-il des régions au Canada, où il n'y a pas un animal de race?

M. Williams: Je ne sais pas si je comprends votre question, monsieur Korchinski.

M. Korchinski: Je crois qu'il y a des régions de ce genre et qu'il y a une législation à ce sujet. Je ne sais pas si elle est provinciale, ou non.

M. Williams: Il n'y a pas de législation fédérale, mais quelques provinces en ont.

M. Korchinski: Une autre question que je veux poser est celle-ci. Lorsqu'on développe des graines de provende, on a soutenu, dans le domaine de l'orge, on a essayé de produire une variété à utilisations multiples et nous aurons peut-être une orge de valeur excellente d'utilité pour les troupeaux. Et l'industrie a l'impression qu'il n'y a pas eu assez de recherches d'effectuées en vue de produire une orge qui est nutritive pour les troupeaux, et qui aurait un rendement élevé, surtout dans les régions nordiques où il y a beaucoup d'orgelets. Est-ce que vous pourriez nous parler des travaux dans ce domaine.

M. Williams: Un mot, pour commencer. Le ministère fut honoré, il y a quelque temps parce qu'un de ses chercheurs a reçu, de la part de la Commission de la Fonction publique, une subvention de \$2,500 pour son travail de recherche dans le domaine du développement de l'orge. Et son travail a été très utile aux cultivateurs des céréales. On pensait

[Texte]

of his colleagues who worked with him to the cereal growers of Canada was around \$140 million, I believe. In other words, the farmers' returns potentially were increased by that amount because of the improved barley breeds.

We have produced quite a number of purely feed barleys and I might say that at the present time—Dr. Migicovsky mentioned this earlier when discussing some switches in our program—increasing emphasis is being placed upon feed barley breeding.

You are quite correct, sir, in your original statement that at one point a great deal of emphasis was placed on malting barley.

Mr. Korchinski: I have just one more question and I believe this matter arose the other day when we were discussing the recognition of work that had been done by some of these people. I do not know who is responsible for naming these grains and so on. We name streets and so on, after people so why should we not name the varieties of grain after the people who have done a lot of the research on this. This would be very apropos. I wonder whether any thought has been given to that kind of recognition.

Mr. Williams: We have given a great deal of thought to the development of names for our various varieties that have been produced and in general, we have taken the position that they should be anonymous rather than after the developer. We have tried, in general, to relate them somehow to their ancestry, that is to say, not the ancestry of the breeders, but the ancestry of the particular varieties.

Mr. Douglas (Assiniboia): What about Thatcher wheat?

Mr. Williams: That is an American variety, not a Canadian variety.

The Chairman: Thank you, Mr. Korchinski. I recognize Mr. Gleave.

Mr. Gleave: Thank you, Mr. Chairman. I want to ask some questions dealing with the buildings, works, land and equipment and purchase of livestock as shown on page 15 of the Blue Book. I note under the purchase of livestock the proposed expenditure is down \$1,000 and I note it is down also on the purchase of land, buildings and works. Reports published in the newspapers the other day said that we had inadequate facilities to look after our testing programs for livestock disease and that the facilities were overcrowded. Is this so, Mr. Chairman? Are these facilities inadequate; are they overcrowded?

[Interprétation]

qu'on avait augmenté de 140 millions les revenus des fermiers parce qu'on avait développé cette qualité d'orge.

Nous avons produit plusieurs variétés de valeur nutritive, et je peux le dire maintenant—M. Migicovsky l'a mentionné plus tôt—nous mettons l'accent sur ce genre de programme.

Mais vous avez raison, monsieur, en disant qu'on avait beaucoup mis l'accent sur l'orge utilisée pour le malt.

M. Korchinski: Je pense que cette question a été soulevée au sujet du travail fait par ces chercheurs. Je ne sais pas qui est responsable pour nommer ces graines, etc. On donne bien des noms de personne à des rues, pourquoi alors ne pas nommer les variétés de graines d'après les chercheurs qui les ont découvertes. Est-ce qu'on a songé à reconnaître les chercheurs de cette façon-là?

M. Williams: Nous avons bien étudié le problème de la désignation des nouvelles variétés, et, en général, nous avons opté pour leur anonymat, plutôt que de leur donner le nom des chercheurs, et nous avons essayé d'indiquer quels sont les ancêtres de variétés des plantes.

M. Douglas (Assiniboia): Et le blé Thatcher?

M. Williams: C'est une variété américaine, et non pas canadienne.

Le président: Merci, monsieur Korchinski. Je donne la parole à M. Gleave.

M. Gleave: Merci, monsieur le président. Je veux poser des questions au sujet de la construction ou de l'acquisition de bâtiments, ouvrages, terrains et matériel, et de l'achat d'animaux de ferme. C'est à la page 15 du Livre bleu. Je note que dans l'achat du bétail, il y a une diminution des dépenses prévues de \$1,000, de même que pour l'acquisition de bâtiments, ouvrages et terrains. L'autre jour, on a publié des rapports dans les journaux qui disaient que nous avons des installations inadéquates pour le programme de recherche technique sur les maladies du bétail, que les installations sont surpeuplées. Est-ce que c'est juste, monsieur le président? Est-ce que les services sont inadéquats?

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Mr. Williams: Mr. Chairman, first of all, I would like to say there is some misunderstanding about the estimates. The new year's estimates appear in the left hand column and both items you mentioned show an increase—a very marginal increase, I admit—for this year.

The construction of the Animal Diseases Research Institute is not included in these estimates nor would it be included in these estimates as it is a Public Works estimate. All major buildings built in the capital area are in the Public Works vote. There is no argument, at least in my mind, that the conditions over at the Animal Diseases Research Institute are extremely crowded.

The Animal Diseases Research Institute is part of the total complex at, what we call, our Greenbelt Farm and it is because of that overcrowding in our plant in Hull that it is programmed to be moved to the Greenbelt Farm. Obviously we are disappointed in the timing, but I understand that discussions are going on at the present time with a view to setting forward possibly the start of construction of the new buildings there. However, this item does not appear in these estimates.

Mr. Gleave: What is the timing? What is the schedule? When are these facilities to be moved and will they be a little more adequate? When is this proposed?

Mr. Williams: I am afraid in order to answer that I would have to talk off the top of my head. My recollection is that the current timing has scheduled the start of construction in the year 1970-71. In other words, the year following the one we are discussing. There is some hope, however, that we may be able to accelerate that. I might say that there has been some work done already. There has been a considerable amount of money spent on site development, roads, sewers, and things of this nature that are presently in position. There is no question of it going ahead, it is simply a matter of the timing.

Mr. Gleave: Do the present facilities, as charged in the report actually present a hazard for the spread of disease? Is the protection inadequate as charged?

Mr. Williams: It has never been reported officially to me that it constitutes a possible hazard for the spread of disease outside of the laboratory. There always has been a hazard no matter what the conditions are for the possibility of transmission of brucellosis—I believe that was the disease that was cited—to humans who are working with it because,

[Interpretation]

M. Williams: Monsieur le président, tout d'abord je voudrais dire qu'il y a malentendu quant aux crédits. Ceux de la nouvelle année figurent à la colonne de gauche et il y a des augmentations de ces deux crédits, mais très minimes, je dois avouer.

La construction de l'Institut de recherches vétérinaires n'est pas incluse dans ces crédits et n'y serait pas incluse, parce que c'est un crédit des Travaux publics. Tous les édifices importants construits dans la région de la Capitale, figurent dans les crédits des Travaux publics. Il est certain, selon moi du moins, que les installations de l'Institut de recherches vétérinaires sont inadéquates.

L'Institut de recherches vétérinaires fait partie d'un ensemble global situé dans ce que nous appelons notre ferme *Green Belt* et c'est à cause de cet encombrement à nos installations de Hull qu'on projette de le déménager à *Green Belt Farm*. Nous avons évidemment été déçus par le calendrier, mais j'ai été informé que des discussions sont en cours en ce moment dans le but d'avancer la date du commencement de la construction des nouveaux édifices à cet endroit. Toutefois cette écriture ne figure pas dans ces crédits.

M. Gleave: Quel est le plan d'exécution? Quand ces installations seront-elles déménagées? Seront-elles un peu plus convenables? Quand les installations seront-elles...

M. Williams: Je regrette, il me faudrait parler de mémoire. Il me semble que le début de la construction doit commencer dans les années 70 à 71, c'est-à-dire dans l'année qui suit l'année dont nous parlons. Mais on espère que nous pourrions peut-être accélérer les travaux. On a déjà entrepris certains travaux. Il y a eu beaucoup d'argent de dépensé pour aménager l'emplacement, les routes, les égouts et pour des travaux de cette nature qui sont présentement en place. Il ne s'agit pas de savoir si cela se fera; ce n'est qu'une question de date.

M. Gleave: Est-ce que les installations, comme le dit le rapport, présentent un danger que la maladie se propage? Est-ce que comme on le dit la protection est insuffisante?

M. Williams: Je n'ai jamais eu de rapport officiel que peut-être les installations représentent un danger de propagation de maladie en dehors du laboratoire. Il y a toujours eu un certain danger quelles que soient les conditions, parce qu'il y a possibilité de transmission de brucellose. Je crois que c'était la maladie mentionnée: La transmission de cette

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as you gentlemen well know, this disease is transmissible to humans. There are people in Canada—those working with dairy cows, farmers and even our own people on some of our farms—who have come down with undulant fever after having worked with it. Obviously there is some risk in this.

Mr. Gleave: I understand, if I recall, the article said that four people had actually contracted the disease. You would have no record of this in the Department?

Mr. Williams: We must have a record, but I do not have it with me. My understanding, however, Mr. Gleave, was that there were two not four cases.

Mr. Gleave: I see. Would the moving of this fur farming operation from Prince Edward Island not aggravate the situation further or are you moving the fur farming operation into some other area?

Mr. Williams: It is in the same general area, but quite remote from the Animal Diseases Research Station. It is in the Animal Research quadrant of the total area.

Mr. Gleave: The thing that puzzles me a bit is why, if these conditions exist, another operation was moved in prior to adequate changes being made?

Mr. Williams: I am not sure that I follow you, sir.

Mr. Gleave: It rather puzzled me when I read the article why, if these conditions exist in our present facilities, you would propose to move the fur farming operation at this time.

Mr. Williams: I am sorry, I understand now. The fur farming operation will not, in any way, be associated with the operation in Hull.

Mr. Gleave: I see. I have another point to bring up. You have in the Department a fair number of economists. At the present time we are contemplating some real shifts in production. It has been suggested that we are going to take 30 per cent out of wheat and I noticed in reports published today that farmers' estimates to plant are down to 26 million from roughly 30 million last year.

[Interprétation]

maladie des animaux aux humains qui travaillent là. Comme vous le savez messieurs c'est une maladie qui peut se transmettre aux humains. Il y a des personnes au Canada, celles qui travaillent auprès des vaches laitières, des cultivateurs et même de nos gens dans certaines de nos fermes qui ont été atteints de la fièvre ondulante après un contact. Il est évident que cela comporte un risque.

M. Gleave: Si j'ai bonne mémoire, l'article disait que quatre personnes en fait avaient contracté la maladie. Auriez-vous un dossier à cet effet au Ministère?

M. Williams: Il doit y en avoir un mais je ne l'ai pas avec moi. Ce que je sais toutefois M. Gleave, c'est qu'il y a eu deux cas et non quatre.

M. Gleave: Maintenant si on déménage les opérations qui ont trait à l'élevage des animaux à fourrure de l'île du Prince Édouard, est-ce que vous n'aggravez pas d'avantage la situation, ou bien déménagez-vous l'élevage des animaux à fourrure dans un autre secteur?

M. Williams: Oui, c'est dans la même région mais dans un endroit assez éloigné du centre de recherches vétérinaires. C'est dans la partie de la recherche vétérinaire de tout le secteur.

M. Gleave: Ce qui me préoccupe c'est que si ces conditions existent, pourquoi a-t-on aménagé une nouvelle installation avant de faire des changements?

M. Williams: Je ne comprends pas très bien.

M. Gleave: Ce qui me préoccupe c'est que si ces conditions existent dans nos installations actuelles, vous proposiez en ce moment de déménager l'entreprise d'élevage des animaux à fourrure.

M. Williams: Excusez-moi, je comprends maintenant. L'entreprise d'élevage d'animaux à fourrure ne sera associée en aucune façon avec celle de Hull.

M. Gleave: Je vois. Je voudrais soulever un autre point. Vous avez au Ministère un bon nombre d'économistes. En ce moment, nous envisageons des changements véritables dans la production. Il a été proposé que nous prenions 30 p. 100 du blé, et j'ai remarqué dans les rapports qui ont été publiés aujourd'hui, que les prévisions d'ensemencement des cultivateurs sont réduites à 26 millions, de 30 millions qu'elles étaient l'an dernier.

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Is there any definite program underway by the economists within the Department to study these shifts and to start planning ahead on whether or not, for example, we should cease expanding land resources and in which direction we should shift in terms of production? Are these people working out a plan for farming or for agriculture?

Mr. Williams: There is extensive work underway in the Economics Branch at the present time and also by the Task Force on Agriculture on projections of demand for all agricultural commodities, both on a national and an international basis. I think, however, once one has said that, one has to reach the conclusion that there are many, many outside factors not controllable by Canada that may alter greatly these projections. While the question of demand is a relatively simple thing, the question of supply is a much more difficult one because policies of governments other than Canada may greatly influence them. For example, in the area of cereals, if the EEC were to reverse their position in respect of support for cereal grains, I am quite sure it would make a tremendous difference in the demand-supply position for grains throughout the world. So, to answer your question specifically, Mr. Gleave, yes, there is work being done along this line.

Mr. Gleave: There are projections being made, but are you actually moving into the field where you are going to be able to say to various sectors of agriculture that this or that increase or decrease should be made. Are you in a position to make a firm recommendation?

I have seen these projections year after year. You have the thing on filled milk, for example, which was discussed at some length here this morning. It is very fine for the industry which, I think, refers to the plants and so on to be considering what they are going to be doing about filled milk—that is lovely—but the real question is what is the farmer going to do who has a herd of cows in the barn and \$100,000 going for him. This is the real question and this is the real question that faces us out in Saskatchewan. We have X number of acres of land and thousands of dollars worth of machinery. Are the economists in the Department going to get down to work and say, "This is what is ahead of the farmer; this is what we are going to recommend". The provinces then could go ahead and work with the federal government to do

[Interpretation]

Y a-t-il un programme définitif en voie d'établissement par les économistes du Ministère pour étudier ces changements et pour prévoir, par exemple, si oui ou non nous devrions cesser d'étendre nos ressources en terrain et dans quelle direction nous devrions nous orienter en matière de production.

M. Williams: On fait énormément de travail à la Direction de l'économie en ce moment et l'équipe de travail en l'agriculture étudie les projections de la demande pour tous les produits agricoles du point de vue national et international. Mais je pense cependant qu'une fois la chose dite, on doit en arriver à la conclusion que les facteurs extérieurs sont très nombreux qui ne peuvent être contrôlés par le Canada et qui peuvent influencer grandement ces projections. Alors que la question de la demande peut être relativement simple mais la question de l'offre est beaucoup plus complexe parce que les politiques des pays autres que le Canada peuvent beaucoup changer les circonstances. Dans le domaine des céréales, par exemple, si la CEE devait renverser sa position relativement à l'appui accordé aux céréales, je suis presque certain qu'il y aurait une différence considérable dans l'offre et la demande des céréales dans le monde. Donc, pour répondre spécifiquement à votre question, monsieur Gleave, oui, il se fait du travail dans ce sens.

M. Gleave: Oui, on effectue des projections, mais en fait vous vous engagez dans un domaine où vous allez pouvoir dire à divers secteurs de l'agriculture que telle ou telle diminution ou augmentation devrait être faite. Êtes-vous en mesure de faire une recommandation ferme?

J'ai vu ces projections année après année. Par exemple, vous traitez de la question du lait fortifié dont on a discuté longuement ce matin. C'est une très bonne chose que l'industrie qui, je crois, s'en remet aux plans, etc. d'envisager ce qu'elle fera au sujet du lait fortifié, c'est très bien, mais la question véritable est celle-ci: que fera le cultivateur quand il y a un troupeau laitier dans l'étable, et 100,000 dollars d'investi? C'est là la véritable question et celle à laquelle nous devons faire face en Saskatchewan. Nous avons X acres de terre et des milliers de dollars de machinerie. Est-ce que les économistes vont se mettre au travail et nous déclarer: voici l'avenir du cultivateur... voilà ce que nous recommandons. Les provinces pourraient alors y aller et joindre ses efforts à ceux du gouvernement fédéral à cette fin, mais pour

[Texte]

this, but as far as their present projections are concerned, frankly, I would just as soon make my own.

Mr. Williams: Mr. Chairman, each year at the Outlook Conference the Economics Branch provides an estimate on what the Canadian demand is likely to be for most products and endeavours to indicate in that whether there should be an increase or a decrease in acreage and the magnitude of that increase or decrease. These projections that are done by our Economics Branch are sent to all provinces in advance and are sent to all farm organizations in advance to be scrutinized by them. A meeting is held in Ottawa, the aim of which is to try to develop a consensus as to what direction production should go.

I think I would have to say that in my view this is about as far as the Department can go in this sort of thing. We have no authority and, indeed, if we did have authority, I would very much doubt the advisability of exercising such authority to do any more than indicate the probable area of land that should or should not be put into production.

Mr. Gleave: The Report of the Special Committee on Farm Incomes in Ontario, "The Challenge of Abundance" published in January 1969 seemed to indicate to me that we will have to get down to cases and try to tailor our production to the known or projected—I do not think anyone ever knows what it is—but tailor our production in various fields to projected demands. I take it, then, the answer is that our federal Department of Agriculture is not doing this sort of thing and does not contemplate doing this sort of thing.

Mr. Williams: I do not think that is quite right, Mr. Gleave. I just said that we do not have the authority to say to people they should or they should not.

I think we also recognize, however, that the people themselves do have the authority to reach a decision on whether or not they should or should not produce and if there is to be a tailoring of supply and demand it should not be by fiat from on high, but by co-operation between the people who are doing the producing. I think that is what I was trying to indicate in so far as the Department's position was concerned, but I would say, of course, that I am sure that next week this entire question of supply and demand and the possibility of its regulation will receive a great deal of attention at the Canadian

[Interprétation]

ce qui est de leurs projections actuelles, je préfère faire les miennes.

M. Williams: Monsieur le président, à chaque année, à la conférence sur les prévisions agricoles, la Direction économique donne une évaluation de ce que sera vraisemblablement la demande du Canada dans le cas de la plupart des produits et entreprises afin d'indiquer par là s'il devrait avoir une augmentation ou une diminution dans le nombre d'acres et l'importance de cette augmentation ou de cette diminution. Ces prévisions préparées par notre division économique sont envoyées d'avance à toutes les provinces et sont envoyées d'avance à tous les organismes agricoles pour étude approfondie. Il se tient une assemblée à Ottawa dont le but est d'essayer d'en arriver à un consensus sur l'orientation que devrait prendre la production.

A mon avis, je dirais que c'est le plus loin que le gouvernement peut aller dans ce genre de choses. Nous n'avons pas les pouvoirs et même si nous les avions, je douterais fort qu'il conviendrait d'exercer ce pouvoir dans un but plus vaste que celui d'indiquer la surface du terrain qui devrait ou ne devrait pas être mise en production.

M. Gleave: Le rapport du comité spécial sur le revenu des cultivateurs en Ontario, «The Challenge of Abundance», qui a été publié en janvier 1969, semble m'indiquer qu'il faudra étudier les cas et essayer d'ajuster notre production à ce qui est connu et prévu. Je ne crois pas que personne sache jamais ce qu'elle sera, mais nous devrions ajuster notre production dans divers domaines en vue de la demande prévue. Je crois donc que la réponse de notre ministère fédéral de l'Agriculture ne fait pas ce genre de choses et ne projette pas de faire ce genre de choses.

M. Williams: Je pense que vous n'avez pas tout à fait raison. J'ai dit que nous n'avons pas l'autorité, pour dire au cultivateur ce qu'il doit ou ne doit pas produire.

Je crois cependant que nous reconnaissons aussi que les gens eux-mêmes peuvent prendre une décision sur ce qu'ils doivent ou ne doivent pas produire et s'il doit y avoir un ajustement en vue de l'offre et de la demande, que ce ne soit pas sur l'ordre de l'autorité, mais à la suite d'une collaboration entre les producteurs.

J'essayais de dire que telle était la position du ministère, mais je suis convaincu que toute cette question de l'offre et de la demande et de sa régulation sera étudiée au Congrès de l'Agriculture canadienne où la discussion sera certainement stimulée par le

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Agricultural Congress and I am sure you are as well aware as I am that the paper that has been put forward by the Task Force on Agriculture certainly will stimulate discussion in this area.

Mr. Korchinski: It will probably wipe out a few farmers in the process too.

An hon. Member: I thought that was nicely put.

Mr. Korchinski: I would like a supplementary on that if I may.

The Chairman: A single supplementary?

Mr. Korchinski: Yes, a single supplementary. I just want to say that I was quite surprised when I heard the figure of 12 per cent reduction in wheat this year. I was just wondering how these figures are compiled and who makes these decisions, because I, personally, had not made up my mind what we were going to do on our farm this year and in talking to many other farmers I found they were of the same opinion. I wonder whether you have some figures to back this statement up or is this an attempt to persuade the farmers that this reduction is perhaps desirable.

Mr. Williams: I can assure you that there is no propaganda element in it at all, Mr. Korchinski. The figure is based entirely upon economists using known economic methods of projecting demand and supply, projecting yields, projecting everything else on a formula basis and that is the cold hard figure that comes out at the end.

The Chairman: Mr. Pringle on a supplementary.

Mr. Pringle: I should like to ask a question in connection with Mr. Korchinski's remarks about estimates of projected production related to marketing. Over the years there has been some excellent work done by the Department of Agriculture in this respect and I can say this with assurance because I have done some studying myself, especially in recent years. Do you foresee a time when it will be possible to suggest to the farming population what should be done with regard to production and they will voluntarily cut back according to your recommendations? Have you any real proof that a voluntary cut back at the producer level has ever happened because of your recommendations?

[Interpretation]

document préparé par le groupe d'étude sur l'agriculture.

M. Korchinski: Il enlèvera peut-être quelques cultivateurs en chemin.

Une voix: Je pense que c'est bien dit.

M. Korchinski: J'aimerais poser une question supplémentaire si je peux.

Le président: Une seule?

M. Korchinski: Oui, une seule. Je voulais simplement dire que j'ai été surpris d'entendre le chiffre de 12 p. 100 pour la réduction du blé cette année. Je me demandais comment ces chiffres sont calculés et qui prend ces décisions, parce que, personnellement, je n'avais pas décidé de ce que nous allions faire sur notre ferme cette année. J'ai discuté avec plusieurs cultivateurs qui ne le savaient pas eux-mêmes. Est-ce que vous avez des chiffres pour justifier cette attitude ou tentez-vous de persuader les agriculteurs que c'est peut-être là une chose désirable?

M. Williams: Eh bien je peux vous dire, monsieur Korchinski, qu'il n'y a aucun élément de propagande là-dedans. Les chiffres sont fondés uniquement sur des méthodes d'économie utilisées par les économistes pour la projection de l'offre et de la demande, des rendements, la projection de tout autre chose d'après des formules établies, et c'est ce nombre brutal que l'on obtient à la fin.

Le président: Monsieur Pringle, une question supplémentaire.

M. Pringle: J'aimerais poser une question à propos des commentaires de M. Korchinski au sujet des prévisions de production relative à la mise en marché. Au cours des ans, des travaux remarquables ont été faits par le ministère de l'Agriculture à ce sujet et je peux le dire avec assurance puisque j'ai fait certaines études là-dessus, surtout au cours de ces dernières années. Mais est-ce que vous envisagez le moment où il sera possible de proposer à la communauté agricole ce qu'elle devra faire pour la production? Et est-ce que vous pensez qu'ils pourraient volontairement effectuer les réductions que vous recommanderez. Avez-vous une véritable preuve qu'il y a déjà eu une réduction volontaire au niveau de la production par suite de vos recommandations?

[Texte]

Mr. Williams: I would have to say, Mr. Pringle, that we do not have any real proof. I will say, however, that it is a failing of any kind of a prediction that if people pay attention to it it does not come true. I simply mean if the Department of Agriculture says that egg prices are going to be low this summer and production should be cut back, that if people take cognizance of this fact and do cut back, prices will not be low. In other words, the only successful prediction, to me, is one that fails because if we still have too much production and low prices, obviously people have not been listening to us. On the other hand, if you predict there will be a short supply and prices are going to be high, if everybody listens to you and increases production then prices will not be high.

Mr. Pringle: That is a very interesting statement because regardless of your predictions in my experience I have been unable to find any time when anybody took notice of them until prices got so low that they had to get out of the slump by cutting back and then prices went up. I just make that observation because I know that there will be a great deal of discussion next week with regard to marketing, planning and programming.

Mr. Williams: If I might say one word, Mr. Pringle, I personally have received many representations from poultry producers that if we think the price is going to be high we should not publicize it because this gets a lot of people into it that should not be into it.

The Chairman: Mr. Lind on a single supplementary.

Mr. Lind: Mr. Chairman, my supplementary is that we spend a lot on research, we spend a lot on market analysis, but when the final crunch comes how much do we spend on promotion to sell these products? This is the thing that worries me. In the big firms in private industry, if their sales staff are falling down on seilling their product they usually use the axe and get a bunch of younger fellows in who will go to work and get out and sell it. Now, are we doing anything in the Department of Agriculture to sell our products, to sell our information to the people of Canada, to really get out and sell it hard?

Mr. Williams: If you mean direct promotional programs, no, sir. We are not provided

[Interprétation]

M. Williams: Je dois avouer, monsieur Pringle, que nous n'avons pas de preuves. Je peux dire, cependant, que c'est le défaut de toute prédiction qu'elle ne se réalise pas si on lui porte attention. Autrement dit, si le ministère de l'Agriculture dit que le prix des œufs sera inférieur cette année et la production doit être réduite, si les gens prennent connaissance de ce fait et opèrent des réductions, alors les prix ne vont pas baisser. En d'autres termes, pour moi, la seule prédiction valable est une prédiction qui échoue, en ce sens que si nous avons une production trop élevée et des prix inférieurs, c'est évident que les gens ne nous ont pas écouté. Si, d'autre part, vous prédisiez une offre inférieure et des prix élevés, et si tout le monde vous écoute et augmente la production, alors les prix ne seront pas trop élevés.

M. Pringle: C'est très intéressant ce que vous nous dites là, parce que, de ma propre expérience, peu importe vos prédictions; je n'ai jamais pu trouver de situation où personne ne les avait remarquées jusqu'à ce que les prix baissent au point que les gens ont dû sortir de cette baisse en réduisant la production et alors les prix remontaient. Je fais cette remarque parce que je sais qu'il y aura de nombreuses discussions la semaine prochaine au sujet de la mise en marché, de la planification et de la programmation.

M. Williams: Je pourrais ajouter également, monsieur Pringle, que nous avons entendu beaucoup de producteurs de volailles qui nous disent que si les prix vont être élevés, il ne faudrait pas rendre la chose publique parce que beaucoup de gens se lancent dans cette entreprise alors qu'ils ne devraient pas le faire.

Le président: Monsieur Lind, une question supplémentaire.

M. Lind: Monsieur le président, ma question supplémentaire est la suivante. Nous dépensons beaucoup d'argent à la recherche et l'analyse du marché, mais le problème se pose quand il s'agit de savoir combien dépenser pour la promotion de vente de ces produits. Et c'est ça la question qui m'inquiète. Dans les grandes entreprises, dans l'industrie privée, si le personnel des ventes échoue dans la vente des produits, alors, ils en congédient et engagent des plus jeunes qui iront vendre les produits. Alors, est-ce que le ministère de l'Agriculture fait quelque chose pour vendre nos produits, pour vendre notre information, aux Canadiens, pour vraiment tout tenter pour la vendre?

M. Williams: Si vous parlez de programmes de promotion directe, non monsieur. Nous

[Text]

with any funds other than an extremely small item in production and marketing that is used under disaster circumstances to help some small segment of the industry. In so far as export promotion is concerned it does not fall within the competence of the Department of Agriculture to spend any funds on export promotion; this is a function of the Department of Trade and Commerce through its Trade Commissioner Service.

However, we have a very active Food Advisory Services, we have a very active Information Division, and we assist a great many organizations. Probably the most recent example is the honey people who were faced this past summer with a very depressed price situation. They had not sold their 1967 crop, they still had part of their 1966 crop on hand and they came to the Agricultural Stabilization Board requesting price support. We suggested to them that price support was possibly not the answer, but probably a major promotional program was.

I must compliment them because they did an excellent job and raised, I think, some \$40,000 themselves. Trade and Commerce pitched in and did a great deal of work on the export market. We went into it and not only gave them a small grant to assist their own promotional project but we also put out recipes, we made a film and we did some radio broadcasts. I would be less than frank if I said the result was entirely due to promotion, although promotion certainly helped, but they were also helped considerably by a short crop in terms of their total supply this year. Which helped. As a result, at the present moment their cupboard is pretty well bare.

Mr. Lind: Thank you, Mr. Chairman; that is encouraging news.

The Chairman: Thank you. I recognize Mr. McKinley.

Mr. McKinley: Mr. Chairman. There was something in the Minister's opening statement that disturbed me greatly and I have been waiting quite a few days to bring it up, but as you all know I am quite a patient person. He said that there was going to be a saving of over \$2 million in hog premiums paid for quality during the next fiscal year. In the next paragraph he said that there was going

[Interpretation]

n'avons aucun autre crédit si ce n'est quelques postes aux fins de la production et de la mise en marché qui servent à aider quelques parties de l'industrie en cas de catastrophe. Pour ce qui touche à la promotion des exportations, ce n'est pas au ministère de l'Agriculture de dépenser des argents à cette fin; c'est une tâche du ministère du Commerce par l'intermédiaire du Service des délégués commerciaux.

Malgré tout nous avons un Service consultatif alimentaire très actif, nous avons une Division de l'information qui est aussi très dynamique et nous participons à différentes organisations. L'exemple le plus récent peut-être est les producteurs de miel qui, l'été dernier, ont eu à faire face à une situation de prix très bas. Ils n'avaient pas encore vendu leur récolte de 1967 et avaient encore une partie de la récolte de 1966 sur les bras; ils sont allés voir l'Office de stabilisation des prix agricoles pour demander le soutien des prix. On leur a dit que possiblement le soutien des prix n'était pas la réponse mais que peut-être un important programme de promotion pourrait être utile.

Je dois les féliciter, car ils ont fait un travail excellent, et je crois qu'ils ont obtenu quelque quarante mille dollars par eux-mêmes. Le ministère du Commerce s'en est mêlé et a fait beaucoup sur le marché des exportations. Nous nous en sommes mêlés également et non seulement nous leur avons accordé une petite subvention pour aider leur programme de promotion des ventes, mais également nous avons publié quelques recettes et nous avons fait un film et des programmes de radio. Je ne serais pas sincère si je disais que le résultat est dû entièrement à la promotion, quoiqu'elle y a contribué, mais disons qu'une récolte, faible par rapport à l'offre totale de l'année en cours, a aidé considérablement. Par conséquent, leur stock est actuellement presque complètement écoulé.

M. Lind: Merci, monsieur le président, c'est très encourageant.

Le président: Monsieur McKinley.

M. McKinley: Monsieur le président, dans ce que le ministre a dit pour commencer, il y a quelque chose qui m'a inquiété. J'ai attendu plusieurs jours avant de soulever la question, mais comme vous le savez je suis moi-même très patient de nature. Il a dit qu'on économiserait plus de deux millions de dollars en primes pour porcs de qualité au cours de la prochaine année financière. Au paragraphe

[Texte]

to be an increase of over \$2 million in wages and salaries paid in the Department.

The Chairman: Mr. McKinley, we appreciate your patience but. . .

Mr. McKinley: I will come to the point, Mr. Chairman. What kind of research was done previous to the decision to change the method of calculating payments to hog producers on the premium quality basis? Also, what benefit will it be to the industry, if any?

Mr. Williams: Mr. Chairman, I am afraid I cannot specify in great detail the research that was done. Basically, however, it was the following. Research was done at our experimental station at Lacombe, which indicated, by and large, that the percentage of lean meat in a hog carcass was very closely correlated with the sum of two fat measurements; one at the shoulder and one at the loin. It was decided that we should look at this to see whether or not, based on commercial hogs, it was possible to develop a grading system that would relate the grade to the actual cut-out of lean meat in the carcass.

Consequently, we entered into a very large project involving the Research Branch. The Research Branch did the planning of the project and the analysis of the data and the Production and Marketing Branch did the actual cutting of the hogs. Some 10,000 hogs taken all across Canada on a scientific sampling basis of different grades and so forth were measured, cut and the lean meat content determined. From that tables were established and material was built up that indicated it was possible to develop a grading system and such a system was developed. Working with the Meat Packers Council and with the hog producers, a system was devised and is currently in effect.

It is the belief of this Department that this research will result in a system of providing the farmer with increased returns for high quality hogs.

Mr. McKinley: Do you anticipate that in the future, as farmers are able to breed hogs that will qualify for these premiums, that the money paid to farmers under this system might increase and come close to what it has been in the past? Is that so?

Mr. Williams: I do not think there is much doubt about that. My recollection is that in a top quality hog under this new system some-

[Interprétation]

suivant, il a dit qu'il y aurait une augmentation des traitements, de plus de deux millions de dollars payés par le ministère.

Le président: Nous prisons votre patience, monsieur McKinley, mais. . .

M. McKinley: J'en arrive à ma question. Quelles recherches ont été faites avant que l'on envisage de changer les méthodes de calcul des versements à effectuer aux producteurs de porcs pour les porcs de qualité?

M. Williams: Monsieur le président, je m'excuse de ne pouvoir répondre en détail à cette question. Malgré tout, je puis vous dire qu'il y a eu des recherches de faites à la Station expérimentale de Lacombe, qui ont indiqué que dans l'ensemble le pourcentage de viande maigre sur une carcasse de porc était très étroitement lié à la somme de deux mesures de graisse, une sur l'épaule et l'autre dans les cuisses. On a décidé qu'il fallait étudier la question pour voir si, sur la base des porcs commerciaux, il était possible d'élaborer un système de classement qui pourrait lier la qualité à la coupe maigre dans la carcasse.

Par conséquent, nous avons entrepris un projet très vaste avec la Direction des recherches qui a fait la planification du projet et l'analyse des données. La Direction de la production et des marchés s'est occupé de découpage proprement dit des porcs. Environ 10,000 porcs, pris à travers le Canada, sur une base échantillonnage scientifique des différentes qualités, etc., ont été mesurés, découpés et la quantité de viande maigre a été établie. De ces données, on a établi des tableaux et le matériel a été construit pour indiquer qu'il était possible d'élaborer un système de classification et ce système a été alors mis au point. Avec la collaboration du Conseil des préparateurs de viandes et des producteurs de porcs, un système a été élaboré et mis en ordre.

Notre ministère considère que ces recherches vont entraîner la création d'un système qui lui permettra de fournir de plus hauts bénéfices aux cultivateurs pour les porcs de haute qualité.

M. McKinley: Prévoyez-vous qu'à l'avenir, à mesure que les cultivateurs sont en mesure d'élever des porcs, ils deviendront éligibles à ces primes, que l'argent versé aux cultivateurs en vertu de ce système pourrait augmenter et approcher ce qui a été versé par le passé, c'est ça?

M. Williams: Je pense qu'il n'y a aucun doute. Si je me souviens bien, dans un porc de première qualité d'après le nouveau sys-

[Text]

thing in the nature of five to seven pounds of fat has to be trimmed off and sold as lard at a few cents a pound. In the low end it runs as high as 28 in the recognized grades and in exceptional cases can run much higher than that. Basically, this extra fat is sold at essentially no return to the farmer.

Obviously, if the farmer can produce hogs that do not require so much fat to be trimmed from them, his returns from the market, will be higher; presuming, of course, we have a market that does return these amounts to him. I think the Swine Council and the Meat Packers Council are working closely enough together at the present time to ensure that gains made by the farmer will, in fact, accrue to the farmer.

Mr. McKinley: Will it be of assistance in gaining export markets and being able to export more hogs because they will be marketed with less fat to try and get this premium?

Mr. Williams: It depends a little bit on what other people are doing. Our main export of pork is to the United States at the present time and in the past we have always enjoyed a premium over the United States market. Our hogs have always sold—at least cuts, we do not normally sell hogs, we normally sell cuts to the United States—at a premium over the American price because of their higher lean content.

The Americans, however, in recent years have been producing a better hog and it is our objective to try to stay that much ahead of them so we will be able to continue not only to export large quantities of pork to that country but to export it at a premium.

Mr. McKinley: It appears to me that the only way a saving of this kind can be justified is in some way to get it back to the farmer.

Now, I would like to ask another question on poultry. You do poultry testing for egg laying qualities in poultry; you run tests every so often. I would like to know how often and I would like to know how these tests are set up. Do you start off with eggs? Do you start off with chicks? Who decides where the eggs or the chicks come from and how many of each and how many altogether usually? That is about it for now.

Mr. Williams: Mr. Chairman, the estimate for this appears in in Item 15. However, it is

[Interpretation]

tème, il y a quelque chose de l'ordre de cinq à sept livres de graisse qui doit être coupée et vendue comme saindoux à quelques sous la livre. Vers l'arrière, ça peut même atteindre 28 livres dans les qualités reconnues et dans des cas particuliers, ça peut atteindre beaucoup plus. A la base, cette graisse supplémentaire est vendue avec peu de bénéfices pour le cultivateur.

Évidemment, si le cultivateur peut produire des porcs qui ne demandent pas une coupe si forte de graisse, ses résultats sur le marché seront plus élevés, supposant, bien entendu, que nous ayons un marché qui lui donne ces rendements. J'espère que le Conseil des producteurs de porcs et le Conseil des préparateurs de viandes discutent de la question actuellement pour s'assurer que les bénéfices vont être retournés aux fermiers.

M. McKinley: Cela aidera-t-il à accroître les marchés d'exportation et à permettre une meilleure exploitation des porcs s'ils sont moins gras et ainsi obtenir la prime?

M. Williams: En fait ça dépend de ce que font les autres. Notre principale exportation de porc se fait en direction des États-Unis actuellement et dans le passé, nous avons toujours reçu une prime par rapport au prix américain. Nous avons toujours vendu nos porcs, du moins des morceaux; nous ne vendons pas normalement nos porcs, nous vendons des morceaux aux États-Unis à un prix supérieur au prix américain parce que nous avons une teneur en graisse moins importante?

Malgré tout, les Américains au cours des dernières années ont produit un meilleur porc et notre objectif est de garder l'avance et de continuer non seulement à exporter de grandes quantités de porcs à ce pays, mais également à exporter à prime.

M. McKinley: Il me semble que la seule façon que des économies de ce genre peuvent être justifiées, c'est de les rendre au cultivateur.

En fin de compte, pour les volailles, vous faite des essais de volailles n'est-ce pas sur la ponte des œufs, vous faites des tests de temps en temps. Je voudrais savoir quand et comment ces tests sont faits. Est-ce que vous commencez avec les œufs? Est-ce que vous commencez avec les poussins? Qui décide d'où viennent les poussins, d'où viennent les œufs et combien de chaque et combien en tout, en général. C'est à peu près tout, pour le moment.

M. Williams: Monsieur le président, le crédit portant sur cette question, c'est le crédit

[Texte]

closely associated with research and with your permission, I will answer it very briefly. In a random sample test for poultry people nominate to ship a 30-dozen case of eggs to us; we hatch the eggs and raise all the chicks under standard conditions. They are put into pens and are maintained there under standard conditions. The tests are based upon the relative efficiency livability and many other factors. There are about 12 different factors, I think, that are measured. The net return or the net potential return for different strains are measured and these results are published.

Mr. McKinley: Are these pullets, which I imagine are the only ones you raise, raised all together in one pen from day old or are they raised separately in different pens?

Mr. Williams: They are raised under two different levels of nutrition. The objective here, of course, is that it has been discovered that certain strains can do better under certain nutritional status than other strains can. We use two different feeds, so subject to that they are raised together.

Mr. McKinley: Thank you. Just a minute, you have broiler tests too. I understand.

Mr. Williams: That is correct, yes.

Mr. McKinley: Do you still have?

Mr. Williams: Yes.

Mr. McKinley: Are they carried out under much the same conditions?

Mr. Williams: They are much more limited at the present time.

Mr. McKinley: In strains?

Mr. Williams: Yes, in the number of entries. There is not as much interest in the broiler test because the broiler people are bigger and are doing their own testing now.

Mr. McKinley: They are carried out under much the same conditions.

Mr. Williams: The identical broad situation; namely, we get the eggs and hatch them.

Mr. McKinley: One question which I do not think you answered was how often you run the random sample tests on egg-laying strains?

Mr. Williams: We have an entry per year.

[Interprétation]

15. Toutefois, il s'associe de près aux recherches. Je vais simplement vous répondre rapidement. Les gens qui veulent faire un essai, nous envoient une caisse de 30 douzaines d'œufs. Nous élevons les poussins dans les conditions normales. On les met dans des poulaillers, on les y maintient dans des conditions ordinaires et les tests sont alors effectués sur la base du rendement relatif et d'autres facteurs. Il y a douze facteurs, je pense, en tout. Le bénéfice net ou les résultats nets des différentes variétés sont alors mesurés et publiés.

M. McKinley: Est-ce que ces poulets sont élevés dans un seul poulailler depuis le premier jour ou bien est-ce qu'ils sont placés dans différents poulaillers?

M. Williams: Ils sont élevés à deux régimes alimentaires différents. Nous pensons qu'à la suite de ce que nous avons constaté certaines variétés se comportent mieux avec un certain régime alimentaire par rapport à d'autres. Donc nous avons deux types de provenances différentes et cela entraîne une situation différente.

M. McKinley: Merci. Vous avez également des tests sur les poulets à rôtir n'est-ce pas? Sur les poulets à griller?

M. Williams: Oui. C'est exact.

M. McKinley: En faites-vous encore?

M. Williams: Oui.

M. McKinley: Sont-ils faits à peu près sous les mêmes conditions?

M. Williams: Ils sont beaucoup plus limités présentement.

M. McKinley: C'est difficile?

M. Williams: Oui, dans un certain nombre de demandes. Il n'y a pas beaucoup d'intérêt dans le test des poulets à rôtir, parce que ces gens sont plus importants et font leurs tests eux-mêmes.

M. McKinley: Ils sont faits à peu près dans les mêmes conditions.

M. Williams: En grand, la situation est pratiquement la même, soit que nous obtenons les œufs et nous les incubons.

M. McKinley: Une question à laquelle, je crois, vous n'avez pas répondu, à savoir quand ces tests au hasard sont-ils faits?

M. Williams: Bien, nous avons par an une arrivée.

[Text]

Mr. McKinley: Have you a test going at the present time?

Mr. Williams: That is a very good question. I believe so, but I would hesitate to say positively. I believe there is yes. Yes, I am certain there is, I am sorry. Yes, I know there is.

Mr. McKinley: Are visitors allowed to get in and see this test under way at any time?

Mr. Williams: No, no random visitors.

Mr. McKinley: How about members of Parliament?

Mr. Williams: Under special arrangements visitors are let in. It is solely for disease prevention that visitors are restricted.

Mr. McKinley: Thank you, Mr. Chairman.

The Chairman: Thank you. Gentlemen, we have reached the hour of adjournment. I understand that there are still questions to be asked on Item 5.

Item 5 stood.

The Chairman: Would the Steering Committee remain for 5 or 10 minutes.

The meeting is adjourned to the call of the Chair and there will be no meetings next week because of the Canadian Congress.

[Interpretation]

M. McKinley: Actuellement, vous en avez actuellement?

M. Williams: La question est valable. Je le crois, mais je ne le dirais pas positivement. Je crois que oui. Oui, j'en suis sûr. Je m'excuse. Oui, je sais qu'il y en a.

M. McKinley: Est-ce que les visiteurs ont le droit de voir ce qui se passe, de voir le test?

M. Williams: Non. Non, pas de gens, pas de visiteurs accidentels disons.

M. McKinley: Et les députés?

M. Williams: Si on s'arrange à l'avance, bien sûr, c'est possible. Ce n'est que pour prévenir la maladie que les visiteurs sont exclus.

M. McKinley: Merci, monsieur le président.

Le président: Messieurs, nous devons maintenant lever la séance. Je crois savoir qu'il y a certaines questions qui doivent être posées sur l'article 5.

Le crédit 5 est réservé.

Le président: Le comité directeur pourrait-il attendre quelque cinq minutes encore? La séance est levée, jusqu'à nouvelle convocation du président. Il n'y aura pas de séances la semaine prochaine à cause du Congrès canadien.

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